
STATUTES OF CALIFORNIA

1955

REGULAR SESSION

Began on Monday, January 3, 1955, and Adjourned

Wednesday, June 8, 1955

STATUTES OF CALIFORNIA

PASSED AT THE 1955 REGULAR SESSION OF THE LEGISLATURE

CHAPTER 1

An act to amend Section 18 of the Orange County Flood Control Act and to add Section 18.5 to said act, relating to the issuance of bonds and elections therefor and the disposition of the balance of proceeds of prior bond issue; and declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 13, 1955 Filed with
Secretary of State January 13, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 18 of the Orange County Flood Control Act is hereby amended to read:

Sec. 18. Whenever said board of supervisors shall by resolution passed by a vote of four-fifths of all its members determine that the public interest or necessity of said district demands the issuance of additional bonds for carrying out the work of flood control, or for any of the purposes of this act by said district, said board of supervisors may again proceed as in this act provided, and have a report made and submit to the qualified voters of said district the question of issuing additional bonds in the same manner and with like procedure as hereinbefore provided, and all the above provisions of this act for the issuing and sale of such bonds, and for the expenditure of the proceeds thereof, shall be deemed to apply to such issue of additional bonds. Additional bonds

SEC. 2. Section 18.5 is added to the Orange County Flood Control Act, to read:

Sec. 18.5. Whenever the said board of supervisors of said district determines by resolution that the expenditure of money raised by the sale of bonds for the purpose for which the bonds were voted is impracticable or unwise, it may call a special election to obtain the consent of the electors to use the money for any lawful purpose authorized by this act without specifying the particular purpose or purposes. Proceeds of previous bond issue

The procedure for the calling and holding of said election shall, so far as practicable, be the same as when the bond proposition was originally submitted, except that the provisions relating to the preparation, submission and approval of an engineer's report shall be inapplicable.

SEC. 3. This act is an urgency measure necessary for the immediate preservation of the public peace, health and safety Urgency

within the meaning of Article IV of the Constitution, and shall go into immediate effect. The facts constituting such necessity are:

The unprecedented growth and development of Orange County has created a serious flood control problem which threatens the public health and safety of the residents. Bond funds of the district are urgently needed to finance the construction of a comprehensive system of flood control and storm drain facilities for the preservation of the public health and safety of the residents. Under the present law, a two-thirds vote is required to carry a bond election. In addition, an election cannot be held until the proceeds of a prior bond issue have been expended. The Orange County Flood Control District presently has on hand a balance remaining from the proceeds of a prior bond election. It has been impossible to expend the balance of such funds because the completion of the projects for which said bonds were voted contemplated federal participation which has not materialized. At the same time, it would be illegal to expend said balance for any other purposes authorized by the act. Since the district is without power to call another bond election or to expend the balance of the previous bond issue for other district purposes under the present law, the immediate preservation of the public health and safety requires that the above mentioned limitations on the authorization of additional bonds be removed and that the board of supervisors of the district be empowered to submit to the electors the proposition of using the balance of the proceeds of the prior bond issue for other lawful district purposes, all by an act which takes effect immediately.

CHAPTER 2

An act to amend Sections 13, 14, 15, 17 and 18 of the Monterey County Flood Control and Water Conservation District Act (Chapter 699 of the Statutes of 1947), relating to the taxing powers, issuance of bonds, and financing for projects of the Monterey County Flood Control and Water Conservation District, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor January 14, 1955. Filed with
Secretary of State January 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13 of the Monterey County Flood Control and Water Conservation District Act is amended to read:
Sec. 13. The board shall have power, in any year:

Taxes and
assessments

1. To levy ad valorem taxes or assessments upon all property in the district to pay the general administrative costs and expenses of the district, and to carry out any of the objects or purposes of this act of common benefit to the district, and

2. To levy taxes or assessments in each or any of said zones and participating zones to pay the costs and expenses of carrying out, constructing, maintaining, operating, extending, repairing or otherwise improving any or all works or improvements established or to be established within or on behalf of said respective zones, according to the benefits derived or to be derived by said respective zones, by either of the following methods:

(a) By a levy or assessment upon all property within a zone or participating zone, including land, improvements thereon, and personal property;

(b) By a levy or assessment upon all real property within a zone or participating zones, including both land and improvements thereon.

It is declared that for the purposes of any tax or assessment levied under this subdivision, the property so taxed or assessed within a given zone is equally benefited.

3. To levy taxes or assessments by either method authorized by subdivision 2 of this section, in each or any of said zones, according to the special benefits derived or to be derived by the specific properties therein, to pay the cost and expenses of carrying out any of the objects or purposes of this act of special benefit to such zone or zones, including the constructing, maintaining, operating, extending, repairing, or otherwise improving any or all works of improvement established or to be established within or on behalf of said respective zone or zones.

In the event of project cooperation with any of the governmental bodies as authorized in subdivision 7 of Section 5 of this act, and the making of a contract with any such governmental body, for the purposes set forth in said subdivision 7, by the terms of which work is agreed to be performed by any such governmental body in any specified zone or participating zones, for the particular benefit thereof, and by said contract it is agreed that the district is to pay to such governmental body a sum of money in consideration or subvention for the performance of said work by such governmental body, the board may, after proceedings in the manner prescribed in Section 12 of this act, levy and collect a special tax or assessment upon the property in such zone or participating zones, whereby to raise funds to enable the district to make such payment, in addition to other taxes or assessments herein otherwise provided for.

Said taxes or assessments shall be levied and collected together with, and not separately from, taxes for county purposes, and the revenues derived from said district taxes or assessments shall be paid into the county treasury to the credit of said district, or the respective zones thereof, and the board shall have the power to control and order the expenditure thereof for said purposes; provided, however, that no revenues, or portions thereof, derived in any of the several zones from the taxes or assessments levied under the provisions

of subdivision 2 or of subdivision 3 of this section shall be expended for constructing, maintaining, operating, extending, repairing or otherwise improving any works or improvements located in any other zone, except in the case of joint projects, or for projects authorized or established outside such zone, or zones, but for the benefit thereof. In cases of projects joint to two or more zones, such zones will become, and shall be referred to as, participating zones.

SEC. 2. Section 14 of said act is amended to read:

Bonds.

Sec. 14. (1) Whenever the board determines that a bonded indebtedness should be incurred to pay the cost of any work or improvement in any zone or zones, the board may, by resolution, determine and declare the respective amounts of bonds necessary to be issued in each zone or zones, in order to raise the amount of money necessary for each work or improvement and the maximum rate of interest of said bonds. The board shall cause a copy of the resolution, duly certified by the clerk, to be filed for record in the Office of the Recorder of Monterey County within five (5) days after its issuance. From and after said filing of said copy of said resolution the board shall be deemed vested with the authority to proceed with the bond election.

Election

(2) After the filing for record of the resolution specified in subdivision (1) of this section, the board may call a special bond election in said zone or participating zones at which shall be submitted to the qualified electors of said zone or participating zones the question whether or not bonds shall be issued in the amount or amounts determined in said resolution and for the purpose or purposes therein stated. Said bonds and the interest thereon shall be paid from revenue derived from annual taxes or assessments levied as provided in this act.

(3) Said board shall call such special bond election by ordinance and not otherwise and submit to the qualified electors of said zone or participating zones, the proposition of incurring a bonded debt in said zone or participating zones in the amount and for the purposes stated in said resolution and shall recite therein the objects and purposes for which the indebtedness is proposed to be incurred; provided, that it shall be sufficient to give a brief, general description of such objects and purposes, and refer to the recorded copy of such resolution adopted by said board, and on file for particulars; and said ordinance shall also state the estimated cost of the proposed work and improvements, the amount of the principal of the indebtedness to be incurred therefor, and the maximum rate of interest to be paid on such indebtedness and shall fix the date on which such special election shall be held, and the form and contents of the ballot to be used. The rate of interest to be paid on such indebtedness shall not exceed five percent (5%) per annum. For the purposes of said election, said board shall, in said ordinance, establish special bond election precincts within the boundaries of each zone and participating

zone and may form election precincts by consolidating the precincts established for general elections in said district to a number not exceeding six general precincts for each such special bond election precinct, and shall designate a polling place and appoint one inspector, one judge and one clerk for each of such special bond election precincts.

In all particulars not recited in said ordinance, such special bond election shall be held as nearly as practicable in conformity with the general election laws of the State.

Said board shall cause a map or maps to be prepared covering a general description of the work to be done, which said map shall show the location of the proposed works and improvements and shall cause the said map to be posted in a prominent place in the county courthouse for public inspection for at least thirty (30) days before the date fixed for such election. Maps

Said ordinance calling for such special bond election shall, prior to the date set for such election, be published in a newspaper of general circulation, circulated in each zone and participating zone affected for six consecutive times if published in a daily newspaper of general circulation, or two times if published in a weekly newspaper of general circulation. The last publication of such ordinance must be at least fourteen (14) days before said election, and if there be no such newspaper, then such ordinance shall be posted in five public places designated by the board, in each zone and participating zone for at least thirty (30) days before the date fixed for such election. No other notice of such election need be given nor need polling place cards be issued. Notice

Any defect or irregularity in the proceedings prior to the calling of such special bond election shall not affect the validity of the bonds authorized by said election. If at such election two-thirds ($\frac{2}{3}$) of the votes cast are in favor of incurring such bonded indebtedness, then bonds for such zone or participating zones for the amount stated in such proceedings shall be issued and sold as in this act provided. Two-thirds
vote

SEC. 3. Section 15 of said act is amended to read:

Sec. 15. The board shall, subject to the provisions of this act, prescribe by resolution the form of said bonds, which must include a designation of the zone or participating zones affected, and of the interest coupons attached thereto. Said bonds shall be payable annually or semiannually at the discretion of the board each and every year on a day and date, and at a place to be fixed by said board, and designated in such bonds, together with the interest on all sums unpaid on such date until the whole of said indebtedness shall have been paid. Form, etc

The board may divide the principal amount of any issue into two or more series, and fix different dates for the bonds of each series. The bonds of one series may be made payable at different times from those of any other series. The maturity of each series shall comply with this section. The board may Series,
maturity
dates, etc

fix a date, not more than two years from the date of issuance, for the earliest maturity of each issue or series of bonds. Beginning with the date of the earliest maturity of each issue or series, not less than one-fortieth ($\frac{1}{40}$) of the indebtedness of such issue or series shall be paid every year. The final maturity date shall not exceed forty (40) years from the time of incurring the indebtedness evidenced by each issue or series.

The bonds shall be issued in such denominations as the board may determine, except that no bonds shall be of a less denomination than one hundred dollars (\$100), nor of a greater denomination than one thousand dollars (\$1,000), and shall be payable on the days and at the place fixed in said bonds, and with interest at the rate specified in such bonds, which rate shall not be in excess of five per centum (5%) per annum, and shall be made payable annually or semiannually, and said bonds shall be numbered consecutively and shall be signed by the chairman of the board, and countersigned by the auditor of said district, and the seal of said district shall be affixed thereto by the clerk of the board. Either or both such signatures may be printed, engraved or lithographed. The interest coupons of said bonds shall be numbered consecutively and signed by the said auditor by his printed, engraved, or lithographed signature. In case any such officer whose signatures or countersignatures appear on the bonds or coupons shall cease to be such officer before the delivery of such bonds to the purchaser, such bonds and coupons, and signatures or countersignatures shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until the delivery of the bonds.

SEC. 4. Section 17 of said act is amended to read:

Payment

Sec. 17. Any bonds issued under the provisions of this act, and the interest thereon, shall be paid by revenue derived from an annual tax or assessment levied as provided in clause (a) or (b) of subdivision 2 of Section 13 of this act. No zone nor the property therein shall be liable for the share of bonded indebtedness of any other zone, nor shall any moneys derived from taxation or assessment in any of the several zones be used in payment of principal or interest or otherwise of the share of bonded indebtedness chargeable to any other zone.

SEC. 5. Section 18 of said act is amended to read:

Tax or
assessment
to pay
interest, etc.,
on bonds

Sec. 18. The board shall levy a tax or assessment each year in the zone or zones of issuance, sufficient to pay the interest and such portion of the principal of said bonds as is due or to become due before the time for making the next general tax levy. Such taxes or assessments shall be levied and collected in the respective zones of issuance together with and not separately from taxes for county purposes, and when collected shall be paid into the county treasury of said Monterey County to the credit of the zone of issuance, and be used for the payment of the principal and interest on said

bonds, and for no other purpose. The principal and interest on said bonds shall be paid by the County Treasurer of Monterey County in the manner provided by law for the payment of principal and interest on bonds of said county.

SEC. 6. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety, within the meaning of Section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows: Urgency

The act governing this district, as now worded, requires a levy of taxes or assessments on both real and personal property in order to finance projects. However, since no California court decision as yet has authorized a levy on personal property to finance flood control and water conservation projects, it is impossible to obtain a legal opinion approving bonds of the district financed in part from levy on personal property. Bonds of the district cannot be traded in the open market or advantageously sold unless they are accompanied by such an opinion. The agricultural industry of the County of Monterey is faced with a desperate shortage of water, and in order to make bond funds available as soon as possible to prevent a further increase in the water shortage, with a resultant serious defect in the economy of Monterey County, it is necessary that this act take effect immediately.

CHAPTER 3

An act to amend Section 9102 of the Government Code, relating to legislative offices, declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 21, 1955. Filed with
Secretary of State January 21, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 9102 of the Government Code is amended to read:

9102. The Senator having the management and control of the legislative office located in Los Angeles shall have the authority to employ one person in such office who shall hold a confidential position to him, and one other employee, and to fix their compensation at the grade and in the manner hereinafter provided with respect to employees in other legislative offices. The Senator having the management and control of each other legislative office shall have the authority to employ in such office one person holding a confidential position to such Senator, and to fix the compensation of such person at a grade not less than that of secretary-stenographer in civil service, subject to the provisions of Section 18004. There shall be no other employees.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Due to the large and rapidly increasing population of Los Angeles, and the consequent increase in the demands of the public for information and service on legislative matters, the existing facilities of the Los Angeles office are inadequate. In order to protect the right of the citizens of that area to petition this government and make their views known on pending legislation and protect the public peace, health or safety, it is necessary that this act take effect immediately.

CHAPTER 4

An act to amend Sections 7351 and 8651 of the Revenue and Taxation Code, Sections 370, 372, 372.1 (as added by Chapter 1200, Statutes of 1953), and 381 of the Vehicle Code, to provide tax levies for the financial support of public highways, and providing that this act shall take effect immediately.

In effect
immediately

[Approved by Governor January 22, 1955. Filed with
Secretary of State January 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7351 of the Revenue and Taxation Code is amended to read:

License tax

7351. For the privilege of distributing motor vehicle fuel a license tax is hereby imposed upon distributors at the rate of six cents (\$0.06) for each gallon of fuel distributed until December 31, 1959, and thereafter the rate shall be five and one-half cents (\$0.05½) for each gallon of fuel distributed.

SEC. 2. Section 8651 of the Revenue and Taxation Code is amended to read:

Excise tax

8651. An excise tax is hereby imposed at the rate of seven cents (\$0.07) for each gallon of fuel used until December 31, 1959, and thereafter the rate shall be six and one-half cents (\$0.06½) for each gallon of fuel used.

SEC. 3. Section 370 of the Vehicle Code is amended to read:

Registration
fees

370. Registration Fees. On and before December 31, 1959, a registration fee of eight dollars (\$8) shall be paid to the department for the registration of every vehicle of a type subject to registration, except for such thereof as are expressly exempted under this code from the payment of registration fees. On and after January 1, 1960, a registration fee of seven dollars (\$7) shall be paid to the department for the registration of every vehicle of a type subject to registration, except for such thereof as are expressly exempted under this code from the payment of registration fees.

SEC. 4. Section 372 of the Vehicle Code is amended to read:

372. Weight Fees for Commercial Vehicles. (a) In addition to the registration fee specified in Section 370, there shall be paid fees as set forth in this section for the registration of every vehicle of a type subject to registration used or maintained for the transportation of persons for hire, compensation or profit or designed, used or maintained primarily for the transportation of property. Weight fees for commercial vehicles

(b) For any electric vehicle designed, used or maintained as described in subdivision (a) hereof fees shall be paid for registration according to the following schedule:

Unladen weight	Fee
(1) Less than 6,000 lbs.	\$48.00
(2) 6,000 lbs. or more but less than 10,000 lbs.	96.00
(3) 10,000 lbs. or more	128.00

(c) For any motor vehicle having not more than two axles and designed, used or maintained as described in subdivision (a) hereof, other than an electric vehicle, fees shall be paid for registration according to the following schedule:

Unladen weight	Fee
(1) 3,000 lbs. to and including 4,000 lbs.	\$14.00
(2) 4,001 lbs. to and including 5,000 lbs.	27.00
(3) 5,001 lbs. to and including 6,000 lbs.	40.00
(4) 6,001 lbs. to and including 7,000 lbs.	54.00
(5) 7,001 lbs. to and including 8,000 lbs.	67.00
(6) 8,001 lbs. to and including 9,000 lbs.	80.00
(7) 9,001 lbs. to and including 10,000 lbs.	94.00
(8) 10,001 lbs. to and including 11,000 lbs.	107.00
(9) 11,001 lbs. to and including 12,000 lbs.	120.00
(10) 12,001 lbs. to and including 13,000 lbs.	134.00
(11) 13,001 lbs. to and including 14,000 lbs.	147.00
(12) 14,001 lbs. and over	160.00

(d) For any motor vehicle having three or more axles or for any trailer, semitrailer, pole or pipe dolly, or other dolly designed, used or maintained as described in subdivision (a) hereof, other than an electric vehicle, fees shall be paid for registration according to the following schedule:

Unladen weight	Fee
(1) 2,000 lbs. to and including 3,000 lbs.	\$11.00
(2) 3,001 lbs. to and including 4,000 lbs.	20.00
(3) 4,001 lbs. to and including 5,000 lbs.	40.00
(4) 5,001 lbs. to and including 6,000 lbs.	60.00
(5) 6,001 lbs. to and including 7,000 lbs.	80.00
(6) 7,001 lbs. to and including 8,000 lbs.	100.00
(7) 8,001 lbs. to and including 9,000 lbs.	120.00

Unladen weight	Fee
(8) 9,001 lbs. to and including 10,000 lbs.-----	\$140.00
(9) 10,001 lbs. to and including 11,000 lbs.-----	160.00
(10) 11,001 lbs. to and including 12,000 lbs.-----	180.00
(11) 12,001 lbs. to and including 13,000 lbs.-----	200.00
(12) 13,001 lbs. to and including 14,000 lbs.-----	220.00
(13) 14,001 lbs. to and including 15,000 lbs.-----	240.00
(14) 15,001 lbs. and over-----	267.00

Termination
date

(e) This section shall apply to the registration of every vehicle of a type subject to its provisions until December 31, 1959, and not thereafter.

SEC. 5. Section 372.1 of the Vehicle Code, as added by Chapter 1200, Statutes of 1953, is amended to read:

Same

372.1. Weight Fees for Commercial Vehicles. (a) In addition to the registration fee specified in Section 370, there shall be paid fees as set forth in this section for the registration of every vehicle of a type subject to registration used or maintained for the transportation of persons for hire, compensation or profit or designed, used or maintained primarily for the transportation of property.

(b) For any electric vehicle designed, used or maintained as described in subdivision (a) hereof fees shall be paid for registration according to the following schedule:

Unladen weight	Fee
(1) Less than 6,000 lbs.-----	\$44.00
(2) 6,000 lbs. or more, but less than 10,000 lbs.---	88.00
(3) 10,000 lbs. or more-----	116.00

(c) For any motor vehicle having not more than two axles and designed, used or maintained as described in subdivision (a) hereof, other than an electric vehicle, fees shall be paid for registration according to the following schedule:

Unladen weight	Fee
(1) 3,000 lbs. to and including 4,000 lbs.-----	\$12.00
(2) 4,001 lbs. to and including 5,000 lbs.-----	24.00
(3) 5,001 lbs. to and including 6,000 lbs.-----	37.00
(4) 6,001 lbs. to and including 7,000 lbs.-----	49.00
(5) 7,001 lbs. to and including 8,000 lbs.-----	61.00
(6) 8,001 lbs. to and including 9,000 lbs.-----	73.00
(7) 9,001 lbs. to and including 10,000 lbs.-----	85.00
(8) 10,001 lbs. to and including 11,000 lbs.-----	98.00
(9) 11,001 lbs. to and including 12,000 lbs.-----	110.00
(10) 12,001 lbs. to and including 13,000 lbs.-----	122.00
(11) 13,001 lbs. to and including 14,000 lbs.-----	134.00
(12) 14,001 lbs. and over-----	146.00

(d) For any motor vehicle having three or more axles or for any trailer, semitrailer, pole or pipe dolly, or other dolly designed, used or maintained as described in subdivision (a)

hereof, other than an electric vehicle, fees shall be paid for registration according to the following schedule:

Unladen weight		Fee
(1)	2,000 lbs. to and including 3,000 lbs.-----	\$10.00
(2)	3,001 lbs. to and including 4,000 lbs.-----	18.00
(3)	4,001 lbs. to and including 5,000 lbs.-----	37.00
(4)	5,001 lbs. to and including 6,000 lbs.-----	55.00
(5)	6,001 lbs. to and including 7,000 lbs.-----	73.00
(6)	7,001 lbs. to and including 8,000 lbs.-----	92.00
(7)	8,001 lbs. to and including 9,000 lbs.-----	110.00
(8)	9,001 lbs. to and including 10,000 lbs.-----	128.00
(9)	10,001 lbs. to and including 11,000 lbs.-----	146.00
(10)	11,001 lbs. to and including 12,000 lbs.-----	165.00
(11)	12,001 lbs. to and including 13,000 lbs.-----	183.00
(12)	13,001 lbs. to and including 14,000 lbs.-----	201.00
(13)	14,001 lbs. to and including 15,000 lbs.-----	220.00
(14)	15,001 lbs. and over-----	244.00

(e) This section shall apply to the registration of every vehicle of a type subject to its provisions on and after January 1, 1960. Operative date

(f) With respect to fees paid under this section the references in Sections 9654 and 9655 of the Revenue and Taxation Code to Section 372 of this code shall be deemed to refer to this section. On and after January 1, 1960, references in any provisions of this code or any other provisions of law to Section 372 of this code shall be deemed to refer to this section.

SEC. 6. Section 381 of the Vehicle Code is amended to read:

381. Fee for Operator's or Chauffeur's License. On or before December 31, 1959, upon application for an operator's or chauffeur's license there shall be paid the department a fee of three dollars (\$3) and upon an application for the renewal of an operator's or chauffeur's license there shall be paid the department a fee of three dollars (\$3). The payment of the fee shall entitle the person paying same to make application for an operator's or chauffeur's license and to three examinations within a period of six months. A person licensed as an operator who is qualified to receive a chauffeur's license may be issued a chauffeur's license for the unexpired term of his operator's license without an additional fee upon application and surrender of his operator's license. On and after January 1, 1960, each fee prescribed in this section shall be two dollars and fifty cents (\$2.50). Operator's or chauffeur's license fee

The terms "operator's license" and "chauffeur's license" as used in this section include all licenses of every kind issued under Division 4 of this code.

SEC. 7. Inasmuch as this act provides for tax levies within the meaning of Section 1 of Article IV of the Constitution, it shall go into immediate effect. Tax levy

CHAPTER 5

An act to amend Sections 9510, 9514, 9516, and 9605 of the Government Code, relating to the operation and effect of statutes, and declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor January 24, 1955. Filed with
Secretary of State January 24, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 9510 of the Government Code is amended to read:

Approval and
chaptering
of bills

9510. When the Governor approves a bill, he shall affix his name thereto, with the date of signing, and deposit it in the Office of the Secretary of State, where it becomes the official record. Upon the receipt of any such bill, the Secretary of State shall give it a number, to be known as the chapter number. He shall number each bill in the order in which it is received by him, and the order of numbering shall be presumed to be the order in which the bills were approved by the Governor. There shall be only one series of bill chapter numbers for each session of the Legislature.

SEC. 2. Section 9514 of said code is amended to read:

9514. The bill or statement so authenticated shall then be delivered to the Governor, and by him deposited with the laws in the Office of the Secretary of State. Bills so deposited in the Office of the Secretary of State shall be given a chapter number in the manner provided in Section 9510.

SEC. 3. Section 9516 of said code is amended to read:

Same Bills
not returned
by Governor
within
10 days

9516. Every bill which has passed both houses of the Legislature, and has not been returned by the Governor within 10 days, thereby becoming a law, is authenticated by the Governor causing the fact to be certified thereon by the Secretary of State in the following form: "This bill having remained with the Governor 10 days (Sundays excepted), and the Legislature being in session, it has become a law this ----- day of -----, -----." The certificate shall be signed by the Secretary of State and deposited with the laws in his office.

Upon the receipt of such a bill and certificate, the Secretary of State shall assign a chapter number to the bill in the manner provided in Section 9510.

SEC. 4. Section 9605 of said code is amended to read:

Statutory
construction

9605. Where a section or part of a statute is amended, it is not to be considered as having been repealed and re-enacted in the amended form. The portions which are not altered are to be considered as having been the law from the time when they were enacted; the new provisions are to be considered as having been enacted at the time of the amendment; and the omitted portions are to be considered as having been repealed at the time of the amendment. When the same section or part of a statute is amended by two or more acts enacted

at the same session, any portion of an earlier one of such successive acts which is omitted from a subsequent act shall be deemed to have been omitted deliberately and any portion of a statute omitted by an earlier act which is restored in a subsequent act shall be deemed to have been restored deliberately.

In the absence of any express provision to the contrary, it shall be conclusively presumed that the statute last enacted is intended to prevail over earlier statutes enacted at the same session and, in the absence of any such provision, it shall be presumed that a statute having a higher chapter number was intended by the Legislature to prevail over a statute enacted at the same session but having a lower chapter number.

SEC. 5. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

For many years the legislative process of this State has been based upon the premise that the law relating to the operation and effect of statutes was substantially as set forth in this act. A recent judicial decision has raised serious questions as to the extent to which this assumption regarding the status of the law is valid. In order that this Legislature may properly consider and act upon pending legislation at its 1955 Session it is necessary that the law on this subject be forthwith clarified and made certain. Further, it is also essential that the status of statutes enacted at previous sessions of the Legislature be immediately determined. The amendments made by this act, therefore, are not intended to constitute a change in, but are declaratory of, the existing law.

CHAPTER 6

An act to amend Section 262 of the Revenue and Taxation Code, relating to the church exemption, declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 27, 1955. Filed with
Secretary of State January 27, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 262 of the Revenue and Taxation Code is amended to read:

262. Any tax or penalty or interest thereon for any fiscal year commencing during the calendar year 1952, 1953, or 1954 on property as to which the church exemption was available for such fiscal year shall be canceled pursuant to Article 1 of Chapter 4 of Part 9 of this division as if it had been levied or charged erroneously, and, if paid, a refund thereof shall be made pursuant to Article 1 of Chapter 5 of Part 9 of this division as if it had been erroneously collected.

No amount shall be canceled or refunded pursuant to this section unless the person or organization otherwise entitled to such cancellation or refund has first complied with the provisions of Section 32 of this code, relating to the loyalty declaration.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Some churches have inadvertently failed to file the required affidavit in support of the tax exemption of their property which is granted by the State Constitution, and as a result now are confronted with obligations which, if met, will substantially impair their ability to function effectively. This act will remedy the situation by, in effect, removing the procedural bar to the application of the exemption to such property. In doing so, the public policy of the State as expressed in the Constitution will be entirely fulfilled and the State as a whole will benefit.

CHAPTER 7

An act to amend Sections 6702, 7200, 7202, 7203, 7204 and 7205 of, and to add Section 7206 to, the Financial Code, relating to investments and loans by savings and loan associations, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor January 28, 1955. Filed with
Secretary of State January 28, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6702 of the Financial Code is amended to read:

Authorized
Investments
Real
property

6702. An association may invest in, hold, buy, and sell the following:

(a) Real property used or to be used primarily as the principal office or branch of the association. Except as provided in Section 6703 no association issuing either stock or investment certificates or both shall invest in such real property more than one-half of the sum of its aggregate paid-up nonwithdrawable capital federal insurance reserve, loan reserve, and any surplus and reserve which is not subject to distribution to the shareholders or stockholders except upon dissolution or liquidation.

Furniture,
etc.

(b) Furniture, fixtures, furnishings, equipment and leasehold improvements necessary or proper for the business of the association, or for use in connection with properties owned by or securing loans of the association. Except as provided in Section 6703 no association issuing either stock or investment certificates or both shall invest in furniture, fixtures,

furnishings, equipment, and leasehold improvements for its offices, more than 20 percent, or if it has no real property used or to be used primarily as its principal office or branch, 30 percent of the sum of its aggregate paid-up nonwithdrawable capital federal insurance reserve, loan reserve, and any surplus and reserve which is not subject to distribution to the shareholders or stockholders except upon dissolution or liquidation.

(c) United States Government bonds and treasury certificates, or any bonds, debentures, notes, or other obligations guaranteed by the United States of America.

United States bonds

(d) Bonds, debentures, and notes issued by any federal home loan bank, or other similar federal agency.

Federal agency bonds

(e) Consolidated federal home loan bank bonds, debentures, or notes.

Home loan bank bonds, etc

(f) Bonds of this State or of any county, municipality, or school district in this State.

Bonds of State and certain subdivisions

(g) Bonds, other securities, and bankers' acceptances which are legal as investments for or purchases by savings banks in this State.

Investments legal for savings banks

(h) Bonds issued by any railroad corporation or any public utility corporation substantially all of the properties of which are located in the United States of America. Railway corporations and public utility corporations, as used in this subdivision, do not include street railway corporations. The purchase of all bonds pursuant to the sole authority of this subdivision shall be first approved by the commissioner.

Approved public utility bonds

(i) Notes or bonds secured by first mortgage or first deed of trust, payment of which is guaranteed by a policy of mortgage insurance, or mortgage participation certificates, issued by a mortgage insurance company in accordance with the provisions of Part 6 of Division 2 of the Insurance Code.

First lien securities

(j) California street improvement bonds. The purchase of all bonds pursuant to the sole authority of this subdivision shall be first approved by the commissioner and no association at any one time shall have invested pursuant to the sole authority of this subdivision an aggregate amount in excess of 2 percent of the then total assets of the association.

Approved California street improvement bonds

(k) Stock issued by any federal home loan bank or other similar federal agency of which the association is eligible to be a member.

Stock of federal agencies

(l) Bonds, notes, debentures, or other obligations of national mortgage associations or other similar credit institutions now or hereafter organized under Title III of the National Housing Act including without limitation bonds, notes, debentures, or other obligations of Federal National Mortgage Association. The purchase of all bonds, notes, debentures or other obligations pursuant to the sole authority of this subdivision shall be first approved by the commissioner.

Approved bonds, etc., of credit institutions

(m) Bonds and other securities as provided in Division 11 of this code.

Other bonds and securities

Stock of
Federal
National
Mortgage
Association.

(n) Stock of Federal National Mortgage Association evidencing nonrefundable capital contributions required in connection with sales or contracts for sale of loans from an association to said Federal National Mortgage Association. An association is authorized to make payments of such required nonrefundable capital contributions. No association at any one time shall have invested pursuant to the sole authority of this subdivision an aggregate amount in excess of 1 percent of the then total assets of the association.

SEC. 2. Section 7200 of said code is amended to read:

7200. An association may:

Insured
housing
loans

(a) Either with or without security, make loans, advance credit, and purchase obligations representing loans and advances of credit, pursuant to Title 1 of the National Housing Act, as amended, if the Federal Housing Administrator insures such association against losses which it may sustain as a result of such loans, advances of credit, and purchases, to the extent now provided under Title 1 of the National Housing Act, as amended, or to such lesser extent as the commissioner shall deem sufficient as affording reasonable protection to associations and investors.

(b) Make loans upon the security of improved real property pursuant to the provisions of this section and pursuant to Title 2 and Title 6 of the National Housing Act, as amended, if the Federal Housing Administrator insures, or makes a commitment to insure such association against losses of principal which it may sustain as a result of such loans.

(c) Secure insurance pursuant to the National Housing Act.

SEC. 3. Section 7202 of said code is amended to read:

Guaranteed
excess
loans

7202. An association may make loans secured by real property in excess of the amounts permitted by Article 2 of this chapter, if such excess amount is guaranteed by the Administrator of Veterans' Affairs under Title 3 of the Servicemen's Readjustment Act of 1944 or any act of Congress supplementary or amendatory thereof or under the Veterans' Readjustment Assistance Act of 1952 or any act of Congress supplementary or amendatory thereof.

SEC. 4. Section 7203 of said code is amended to read:

Other
guaranteed
loans

7203. An association may make any loan, secured or unsecured, and if secured whether or not secured by first mortgage or first trust deed and irrespective of percentage of loan to value, if the full amount of such loan is guaranteed by the Administrator of Veterans' Affairs under Title 3 of the Servicemen's Readjustment Act of 1944 or any act of Congress supplementary or amendatory thereof or under the Veterans' Readjustment Assistance Act of 1952 or any act of Congress supplementary or amendatory thereof.

SEC. 5. Section 7204 of said code is amended to read:

Purchase
of loans

7204. An association may make and purchase loans, with or without security, irrespective of the period for which such loans are made, pursuant to Title 3 of the Servicemen's

Readjustment Act of 1944 or any act of Congress supplementary or amendatory thereof or pursuant to the Veterans' Readjustment Assistance Act of 1952 or any act of Congress supplementary or amendatory thereof if the Administrator of Veterans' Affairs enters into an insurance agreement pursuant to one of such federal acts whereby he will reimburse the association for losses incurred on such loans up to 15 percent of the aggregate of loans so made or purchased by it.

SEC. 6. Section 7205 of said code is amended to read:

7205. If the whole or any portion of a loan made by an association is guaranteed or insured by the Administrator of Veterans' Affairs under Title 3 of the Servicemen's Readjustment Act of 1944 or any act of Congress supplementary or amendatory thereof or under the Veterans' Readjustment Assistance Act of 1952 or any act of Congress supplementary or amendatory thereof, such loan may be made on any terms, plans, practices, or procedures authorized or required by the Administrator of Veterans' Affairs, if such terms, plans, practices, or procedures meet the requirements of the commissioner as affording reasonable protection to associations and investors. Guaranteed
loans

SEC. 7. Section 7206 is added to said code, to read:

7206. If a loan is guaranteed to the extent of at least 50 percent by the Administrator of Veterans' Affairs under the Veterans' Readjustment Assistance Act of 1952 or any act of Congress supplementary or amendatory thereof or the Servicemen's Readjustment Act of 1944 or any act of Congress supplementary or amendatory thereof, such loan may be made on any terms, plans, practices or procedures authorized or required by the Administrator of Veterans' Affairs if such loan provides for payments to be made on the principal in installments at regular intervals at least semi-annually commencing not later than one year after the date of the loan, and the installments (which may include interest) either as to principal alone or as to combined principal and interest shall be at least of a sufficient amount so that the smallest installment provided in the note evidencing the loan, other than the last installment, if continued at such regular intervals, would result in paying the entire principal within 30 years from the date of the note. Same

SEC. 8. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Section 1 of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

Due to rapid expansion of population, particularly in the vicinity of defense plants, severe housing shortages exist. This bill will assist substantially in relieving such shortages, particularly in defense plant areas, and will contribute to national defense and stability, and it is essential that it take effect immediately.

CHAPTER 8

An act to add Sections 30093 and 30094 to the Water Code, relating to the inclusion of an irrigation district in a county water district, the authorizing of payments to retire bonds, and declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor January 28, 1955. Filed with
Secretary of State January 28, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 30093 is added to the Water Code, to read:

30093. In the event that a county water district has been formed under this division or any predecessor of it which district includes part or all of the land within an irrigation district the land shall not be released from any of the burdens, obligations or liabilities of the irrigation district in which it is situated because of its inclusion in the county water district, but shall continue to be in all respects a part of the irrigation district.

SEC. 2. Section 30094 is added to said code, to read:

30094. In the event that a county water district has been formed under this division or any predecessor of it which district includes part or all of the land within an irrigation district the board of directors of the county water district may agree with the board of directors of the irrigation district that the county water district shall take over, by grant, contract or otherwise in any manner all or part of the works and properties of the irrigation district which are used to serve the territory in both districts and are to continue to be so used. Any such agreement may provide for the county water district to assume all or part of the liabilities of the irrigation district. Whenever said works and properties so taken over were built from the proceeds of bonds, all or some of which are still outstanding, the county water district shall agree to pay the irrigation district in one sum or annually moneys which together with the other funds of the irrigation district will be sufficient to enable said irrigation district to meet principal and interest on said outstanding bonds; provided, however, that where less than all of the works and properties of an irrigation district are to be transferred, said agreement may specify the amount of money said county water district shall pay for bond retirement, which amount shall be as nearly as practicable in proportion to the historical cost, depreciated, of the works and properties taken over. Funds may be obtained by the county water district to make said bond retirement payments to said irrigation district in the manner provided for the payment of the principal and interest on its own bonds.

SEC. 3. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety

within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

County water districts have been formed and bonds voted to provide water supply and distribution systems. Within said county water districts has been included part or all of the land within irrigation districts. Difficulties resulting from two districts operating water systems in the same area make it difficult for the county water districts to issue bonds to finance water improvements necessary to the public health. Said projects are being held up until satisfactory legislation can be obtained. Therefore, to provide water facilities necessary for the public health at an early date it is necessary that this act take effect immediately.

CHAPTER 9

An act to amend Section 701 of the Unemployment Insurance Code, relating to the elective coverage of federal credit unions, declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 28, 1955. Filed with
Secretary of State January 28, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 701 of the Unemployment Insurance Code is amended to read:

701. An employing unit, not otherwise subject to this division, which files with the director its written election to become an employer for not less than two calendar years, shall, with the written approval of the election by the director, become an employer subject to this part to the same extent as other employers as of the date stated in the approval. For the purposes of this section only the term employing unit shall also mean a credit union organized in accordance with the provisions of the Federal Credit Union Act, as amended.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

There is some question whether Section 701 of the Unemployment Insurance Code, which authorizes employing units which are not subject to the provisions of the Unemployment Insurance Code to elect to be covered under the unemployment insurance system, would permit an instrumentality of the United States Government, such as a credit union, organized and operating under federal law to so elect. This amendment would make it clear that such an instrumentality could elect to extend the coverage of the unemployment and disability insurance system to their employees. As numerous

federal credit unions are desirous of securing the benefits of such coverage for the calendar year 1955, and to avoid the possibility of requiring deductions to be made from the wages of employees for past periods, it is necessary that this act take effect immediately.

CHAPTER 10

An act to repeal Chapter 8 of Part 3, Division 3, Title 2 of, and to add Part 4 to Division 5 of Title 2 of the Government Code, relating to agreements for social security coverage of employees of public agencies, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor January 28, 1955. Filed with
Secretary of State January 28, 1955.]

The people of the State of California do enact as follows:

Repeal

SECTION 1. Chapter 8 of Part 3, Division 3, Title 2 of the Government Code is repealed.

SEC. 2. Part 4 is added to Division 5, Title 2 of the Government Code, to read:

PART 4. FEDERAL OLD AGE AND SURVIVORS INSURANCE

CHAPTER 1. GENERAL PROVISIONS

Definitions

22000. Unless the context otherwise requires the definitions and general provisions set forth in this chapter govern the construction of this part.

22001. "Board" shall have the following meanings: Until July 1, 1955, "board" means the Director of Finance. On and after July 1, 1955, "board" means the Board of Administration of the State Employees Retirement System.

22002. "Federal agency" means the Secretary of Health, Education and Welfare, or the predecessor or successor in function to such officer.

22003. Whenever reference is made in this part to any federal law or regulation or part thereof, the reference applies to all amendments thereto now or hereafter made.

CHAPTER 2. AGREEMENTS FOR COVERAGE OF LOCAL EMPLOYEES

23025. As used in this chapter:

Same

(a) "Public agency" means any city, county, city and county, district, municipal or public corporation or any instrumentality thereof, and boards and committees established under Chapter 10 of Division 6 of the Agricultural Code, Chapter 754 of Statutes of 1933, as amended, or Chapter 307 of the Statutes of 1935, as amended, the employees of which

constitute a coverage group, except contracting agencies under the State Employees Retirement System and agencies having established a retirement system under the provisions of the County Employees Retirement Law of 1937.

(b) "Coverage group" has the meaning given that term by the provisions of Section 218 of Title II of the Social Security Act and applicable federal regulations adopted pursuant thereto.

(c) Each public agency defined in subdivision (a) of this section shall be deemed to be under a separate retirement system with respect to all other public agencies having positions covered by the same or any retirement system.

23025.5. The provisions of this chapter shall not be applicable to any employees of a public agency who are members of the State Teachers Retirement System or who are teacher members of a local retirement system as defined in Section 14271 of the Education Code. Application

23026. The board shall upon application by any public agency in accordance with the provisions of this chapter, execute on behalf of the State an agreement or modifications of such agreement, with the federal agency for the coverage of employees of such public agency, under the insurance system, established by Title II of the Social Security Act in conformity with the provisions of Section 218 thereof, and applicable federal regulations adopted pursuant thereto; provided, however, that before the board shall execute on behalf of the State an agreement or modifications of such agreement with the federal agency, as herein provided, the public agency and the board shall enter into a written agreement which agreement shall include such provisions not inconsistent with this part which the board deems necessary in the administration of the said insurance system as it affects the State and the public agency and its employees. Execution of agreement with federal agency

23027. The agreement between the board and the federal agency shall include each coverage group as to which formal request for such inclusion is made by the legislative or governing body of the employing public agency pursuant to this section, prior to the effective date of the agreement, or any modification thereof. Contents of agreement

The legislative or governing body of every public agency having employees under no retirement system may, upon the affirmative vote of a majority of the eligible employees of such coverage group, make formal application to the board for inclusion of the eligible employees of such public agency in the said agreement or any modification thereof. Application for inclusion

With respect to the employees of any political subdivision of the State, or public agency as defined in Section 23025 of this code, any of the employees of which are in positions covered by a retirement system, the Governor shall authorize a referendum upon request of the governing body of such subdivision or agency; and the referendum shall be conducted, Referendum

and the Governor shall designate an agency or individual to supervise its conduct, in accordance with the requirements of Section 218(d) of the Social Security Act, on the question of whether service in positions covered by a retirement system established by the State or by a political subdivision or agency thereof should be excluded from or included under an agreement under this chapter. The notice of referendum required by Section 218(d) of the Social Security Act to be given to employees shall contain or shall be accompanied by a statement, in such form and such detail as the agency or individual designated to supervise the referendum shall deem necessary and sufficient to inform the employees of the rights which will accrue to them and their dependents and survivors, and the liabilities to which they will be subject, if their services are included under an agreement under this chapter.

Upon receiving evidence satisfactory to him that with respect to any such referendum the conditions specified in Section 218(d) of the Social Security Act have been met, and that the protection afforded employees in positions covered by the retirement system as to which such referendum has been had, as well as those receiving periodic benefits under such retirement system, will not be impaired as a result of making an agreement, bringing such employees under social security in accordance with the declared policy of the Congress set forth in Section 218(d) of the Social Security Act, the Governor shall so certify to the federal agency.

Exclusions

23027.5. Notwithstanding any other provision of this part, no employees of a public agency who are in positions covered by a retirement system or who are receiving periodic benefits under such retirement system shall be included in an agreement pursuant to this part where such inclusion will impair the protection afforded such employees by such retirement system, or where such protection has been impaired as a result of legislative enactment in anticipation of such inclusion.

Liability for contributions

23028. Every public agency included in the agreement between the board and the federal agency pursuant to the provisions of this chapter shall be liable for the contributions required of an employer under the provisions of Section 3111 of the Internal Revenue Code of 1954, and the portion required to be withheld from the salaries and wages of the employees as required under the provisions of Section 3101 of the Internal Revenue Code of 1954.

Withholding contributions

23029. Every public agency included in the agreement between the board and the federal agency may withhold from wages and salaries paid by them to officers and employees covered by the said agreement that portion required to be withheld from the salaries and wages of employees under the provisions of Section 3101 of the Internal Revenue Code of 1954, including contributions due on wages paid for services previously performed after the effective date of coverage, where retroactive coverage has been requested by the public agency.

23030. The board shall promulgate regulations, not inconsistent with the provisions of this chapter, necessary to provide proper procedures to effectuate the provisions of this chapter in conformity with Section 218 of Title II of the Social Security Act and federal regulations adopted pursuant thereto. Such regulations shall include procedures to determine the extent of coverage within separate coverage groups, and prescribing the time, manner and method of filing reports and paying contributions required under the agreement between the board and the federal agency. Such regulations shall set forth in detail the conditions, method and procedure to be followed in the conduct of the referendums provided for in Section 23027 of this code. Regulations

23031. The board may designate other state offices and agencies to assist in the administration of the provisions of this chapter and may delegate to any such agency or office any of the powers and authority herein created in the board and may enter into interagency agreements covering any such services Delegation

23032. Contracts executed by the board pursuant to this chapter shall be excepted from the provisions of Section 13370 of this code, and of any other statutory provision which would otherwise require the approval of any such contract by any other state officer or agency. The board may, however, enter into interagency agreements for the utilization of technical services in connection with the execution of such contracts, and the cost of any services rendered pursuant to such an agreement by any agency or officer including the Attorney General shall be a charge against the board to be added to the costs of administering this chapter which shall be assessed against the contracting public agencies pursuant to Section 23033. Contracts,
etc.

23033. The board may charge or assess each public agency and each public agency shall reimburse the State at such times and in such amounts as the board may charge or assess, which amounts may differ from public agency to public agency, the public agency's proportionate share of any and all costs incurred by the State from and after October 30, 1950, as determined by the board, of administering said old age and survivors insurance system as it affects the public agency and its employees. There shall be added to the amount of each assessment, delinquent 90 days after written demand, a penalty of 10 percent of the amount thereof exclusive of interest and penalties. Charges and
assessments

The board may charge or assess each public agency and each public agency shall reimburse the State at such times and in such amounts as the board may determine, the reasonable cost to the State of conducting the referendum provided by Section 23027 of this code.

23034. Every public agency included in the agreement between the board and the federal agency shall upon demand of the board pay to the board any and all sums of money that Payment of
delinquency
or default
penalties

the State may be obligated to pay or forfeit to the Federal Government from and after October 30, 1950, by reason of any delinquency or default of any such public agency in paying the contributions as required by the Internal Revenue Code, federal regulations adopted pursuant thereto, and the aforesaid agreement

Payments
No statute
of limita-
tions

23035. No statute of this State shall limit the time within which the board may enforce the payment of any amount payable to this State by a public agency pursuant to the provisions of this chapter by civil action or any other remedy.

Payment of
administra-
tive costs

23036. Notwithstanding any other provision of law, the Director of Finance may authorize the payment of all costs incurred by the State in administering the provisions of this chapter from any appropriation available for the support of the board or of any state office or agency which may be designated by the board to assist in the administration of the provisions of this chapter. Any such payments shall be returned to said fund or such appropriation as provided in Section 23038 of this code. Any state office or agency designated by the board to assist in the administration of the provisions of this chapter shall submit to the board from time to time, for the approval of the Director of Finance and the State Controller, a plan of financial settlement setting forth the costs incurred by such state office or agency in connection with any duties or powers delegated to it as herein provided.

Appropriation

23037 The Old Age and Survivors Insurance Revolving Fund is continued in existence. All money in said revolving fund is appropriated without regard to fiscal years to the board to carry out the provisions of this chapter. The board may authorize any state agency or office which may be designated by the board to assist in the administration of the provisions of this chapter to make expenditures from the said Old Age and Survivors Insurance Revolving Fund to the same extent as the board is authorized to make expenditures from such fund.

Use of
funds

23038 The said Old Age and Survivors Insurance Revolving Fund shall be used by the board, or by any state office or agency the board may designate, for the following purposes and for any other purposes necessary to carry out the provisions of this chapter:

1. To reimburse any appropriation available for the support of any state office or agency designated by the board to assist in the administration of the provisions of this chapter for any payments made in accordance with Section 23036 of this code.

2. To advance on behalf of any public agency or agencies any part or all of the contributions required to be paid by them pursuant to Sections 23028, 23029 and 23034 of this code.

3. To advance on behalf of any public agency or agencies any sums of money the State may be obligated to pay or forfeit to the Federal Government from and after October 30, 1950, by reason of any default or delinquency of any such

public agency or agencies in paying the contributions, penalties or interest required by the Internal Revenue Code, federal regulations adopted pursuant thereto and pursuant to the said agreement between the board and the federal agency.

4. To make refunds to any public agency or agencies of contributions, penalties, interest, reimbursements, or other amounts received from any such public agency or agencies as overpayments or paid by them in error.

23039. Any public agency on whose behalf the board has made any advances of money as provided in Section 23038 of this code shall, upon receipt of written demand from the board, reimburse the State in the amount of any such advances, together with interest at the rate of 7 percent per annum from the time of such advance. Reimbursement for advances

23040. All contributions, penalties, interest and reimbursements received by the State from any public agency pursuant to this chapter shall be deposited in the Old Age and Survivors Insurance Revolving Fund. Deposits of funds

23041. All employer and employee contributions, penalties, interest and the public agencies' proportionate share of the cost to the State for administering said insurance system, as required of the public agencies to be paid by this chapter, shall be deposited in the said revolving fund, and the board, or any state office or agency which the board may authorize, may make all payments from the said revolving fund which the State may be required to pay to the Federal Government pursuant to the said agreement between the board and the federal agency. Same

23042. Every public agency and coverage group, upon receipt of a written request from the board or from the state office or agency designated to assist in the administration of the provisions of this chapter, shall submit all wage, contribution, and other reports required to fulfill the obligations of the State under the insurance system established by Title II of the Social Security Act. In the event of a failure or refusal to submit such report requested, the board and such office or agency, or either of them, may audit the books and records of such public agency or coverage group, and the cost of such audit shall be assessed against such public agency or group. Reports

SEC. 3. On and after July 1, 1955, the Board of Administration of the State Employees Retirement System shall succeed to and is hereby vested with all powers, duties, functions and jurisdiction of the Director of Finance vested in the director by Chapter 8 of Part 3, Division 3, Title 2 of this code and which powers, duties, functions and jurisdiction are continued in said Director of Finance until July 1, 1955, under the provisions of Part 4 of Division 5, Title 2 of this code. Board of Administration of State Employees' Retirement System

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

Sweeping changes have been made in the Social Security Act during 1954, providing, among other matters, that public agencies in this State with retirement systems may now be covered by the old age and survivors insurance program of the Federal Government. Such agencies cannot be so covered unless and until the Government Code of this State is changed as herein provided, to conform with such changes in federal law. These amendments are necessary to allow such agencies to come under such federal program without making their participation retroactive, with all of the attending confusion. Great hardship will result to individuals employed by public agencies under retirement systems if their contributions are deducted retroactively over a period of several months instead of currently.

CHAPTER 11

An act to validate the organization, boundaries, acts, proceedings and bonds of public bodies, as herein defined, declaring the urgency of this act, to take effect immediately.

In effect
immediately

[Approved by Governor January 28, 1955 Filed with
Secretary of State January 28, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following terms shall have the following meanings herein:

"Public
body"

(a) The term "public body" means counties, cities and counties, and cities, and the following districts and authorities:

- Air pollution control districts
- Airport districts
- Assessment districts
- Bridge and highway districts
- Cemetery districts
- Citrous pest control districts
- Community service districts
- Conservancy districts
- County fire protection districts
- County maintenance districts
- County power pumping districts
- County sewerage and water districts
- County water authorities
- County water districts
- County waterworks districts
- Drainage districts
- Fire protection districts
- Flood control districts
- Garbage and refuse disposal districts
- Garbage disposal districts
- Harbor districts
- Harbor improvement districts
- Highway districts

Highway lighting districts
Horticultural protection districts
Horticultural development districts
Irrigation district distribution districts
Irrigation district improvement districts
Irrigation districts
Joint harbor improvement districts
Joint highway districts
Joint municipal sewage disposal districts
Junior college districts
Levee districts
Library districts
Local health districts
Local hospital districts
Metropolitan water districts
Mosquito abatement districts
Municipal improvement assessment districts
Municipal port districts
Municipal sewer districts
Municipal utility districts
Municipal water district improvement districts
Municipal water districts of any kind
Parking authorities
Parking districts
Park recreation and parkway districts
Permanent road divisions
Pest abatement districts
Port districts
Public cemetery districts
Public utility districts
Reclamation districts
Recreational harbor districts
Recreation park and parkway districts
Regional park districts
River port districts
Road districts
Sanitary districts
Sanitary districts annexed areas
County sanitation districts
School districts of any kind or class
Separation of grade districts
Sewer maintenance districts
Soil conservation districts
Storm water districts
Unified air pollution control districts
Vehicle parking districts
Veterans' memorial districts
Water conservation districts
Water districts
Water storage districts
Weed abatement districts
Zones of flood control districts

The term "public body" and the plural thereof, as used in this act, shall include only those entities which are specifically enumerated in this section.

"Bonds"

(b) The term "bonds" means all instruments evidencing an indebtedness of a public body incurred or to be incurred for any public purpose, and all instruments evidencing the borrowing of money in anticipation of taxes, revenues or other income of such body, and all instruments payable from revenues or special funds of such public bodies, and all instruments funding or refunding any thereof or any indebtedness.

Validation,
etc. Or-
ganization

SEC. 2. All public bodies heretofore organized or existing under, or under color of, any law are hereby declared to have been legally organized and to be legally functioning as such public body. Every such public body shall have all the rights, powers, and privileges, and be subject to all the duties and obligations of such a public body regularly formed pursuant to law.

Boundaries

SEC. 3. The boundaries of every public body as heretofore established, defined, or recorded, or as heretofore actually shown on maps or plats used by the assessor, are hereby confirmed, validated, and declared legally established.

Annexation

SEC. 4. All acts and proceedings heretofore taken by any public body under any law, or under color of any law, for the annexation or inclusion of territory into any such public body or for the annexation of any such public body to any other such public body are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of such public body and of any person, public officer, board or agency heretofore done or taken upon the question of the annexation or inclusion of such territory.

Bonds

SEC. 5. All acts and proceedings heretofore taken by or on behalf of any public body under any law, or under color of any law, for the authorization, issuance, sale, or exchange of bonds of any such public body for any public purpose are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of such public body and of any person, public officer, board or agency heretofore done or taken upon the question of the authorization, issuance, sale, or exchange of such bonds.

All bonds of any public body heretofore issued shall be, in the form and manner in which issued and delivered, the legal, valid and binding obligations of the public body. All such bonds heretofore authorized to be issued and hereafter issued and delivered in accordance with such authorization shall be the legal, valid and binding obligations of the public body. Whenever an election has heretofore been called for the purpose of submitting to the voters of any public body the question of issuing bonds for any public purpose, such bonds, if hereafter authorized by the required vote and in accordance with the proceedings heretofore taken, and issued and de-

livered in accordance with such authorization, shall be the legal, valid and binding obligations of the public body.

SEC. 6. (a) This act shall operate to supply such legislative authorization as may be necessary to validate any such acts and proceedings heretofore taken which the Legislature could have supplied or provided for in the law under which such acts or proceedings were taken. Operative effect

(b) This act shall be limited to the validation of acts and proceedings to the extent to which the same can be effectuated under the State and Federal Constitutions. Limitations

(c) Nothing contained herein shall be construed to render the creation of any city or district, or any change in the boundaries of any city or district, effective for purposes of assessment or taxation unless the statement, together with the map or plat, required to be filed under Sections 54900 to 54904, inclusive, of the Government Code, is filed within the time and substantially in the manner required by said sections.

(d) This act shall not operate to confirm, validate, or legalize any act, proceeding, or other matter the legality of which is being contested or inquired into in any legal proceeding now pending and undetermined or which may be pending and undetermined during the period of 30 days from and after the effective date of this act, and shall not operate to confirm, validate, or legalize any act, proceeding, or other matter which has heretofore been determined in any legal proceeding to be illegal, void or ineffective, or to confirm, validate or legalize the organization of, or any proceedings for the organization of any municipal corporation, when any part of the area of such municipal corporation within the boundaries thereof described in the resolution or order of the board of supervisors defining and establishing the boundaries of the proposed municipal corporation has been held by any court to be a part of another municipal corporation or has, directly or indirectly, been held illegally included within such boundaries of the proposed municipal corporation as described in said resolution or order of the board of supervisors or in the notice of election on the incorporation of the proposed municipal corporation.

(e) This act shall not operate to confirm, validate, or legalize a contract between any district and the United States.

SEC. 7. As used in this act, the word "now" means the date this act takes effect; the word "heretofore" means any time prior to such effective date; and the word "hereafter" means any time subsequent to such effective date. Definitions

SEC. 8. This act may be cited as the First Validating Act of 1955. Short title

SEC. 9. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

The peace, health and safety of the citizens of the State require the orderly and unhampered functioning of public bodies and such functioning depends upon the validity of the organization, boundaries, and governing officers or boards of public bodies, and upon the validity of acts, proceedings, and bonds of public bodies, and it is therefore imperative and essential that such matters be validated so that during the period before this act would otherwise become effective:

(1) Citizens of the State can be afforded the protection of the police, fire, safety, sanitary and other regulations and protections provided by public bodies;

(2) Public works and construction by public bodies can be commenced and continued without delay or restriction, to provide sewers, water works, schools, storm drains, flood control works, sanitary facilities, electric and other utility works, firehouses and facilities, police stations and facilities, streets, hospitals, and other works, structures, improvements, and facilities required for the public peace, health and safety, and immediately needed to provide for an increased population;

(3) Public bodies can issue and sell bonds heretofore authorized for the purpose of providing sewers, water works, schools, storm drains, flood control works, sanitary facilities, electric and other utility works, firehouses and facilities, police stations and facilities, streets, hospitals, and other works, structures, improvements, and facilities required for the public peace, health and safety and immediately needed to provide for an increased population, which cannot now be sold because of defects in the organization or boundaries of some public body or in the authorization of such bonds, which defects will be cured by this act.

CHAPTER 12

An act to amend Section 24955 of the Water Code, relating to payment of interest on bonds of irrigation districts and declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor January 28, 1955. Filed with
Secretary of State January 28, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 24955 of the Water Code is amended to read:

24955. The estimate may include a sum sufficient to pay the interest on the proposed construction bonds for four years or less.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Section 1 of Article IV of the Constitution, and shall therefore go into immediate effect. A statement of the facts constituting such a necessity is as follows:

That demands of an ever increasing population require the rapid development of the water and power resources of this State. A number of irrigation districts have such developments under way and will be issuing revenue bonds to finance the same and some need to do so prior to the time that laws passed in the 1955 session would ordinarily become effective. These projects are of such magnitude that a longer period than three years is required for construction of the same and it is therefore necessary to provide for payment of interest for a longer period than three years. The success or failure of such projects depends upon the legal authority to pay interest during a construction period of longer than three years from funds derived from the sale of bonds.

CHAPTER 13

An act to add Section 4946.1 to the Education Code, relating to unified school districts, declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 28, 1955. Filed with
Secretary of State January 28, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 4946.1 is added to the Education Code, to read:

4946.1. If a unified district governed by a board of education of five members includes a chartered city, the charter of which provides for a board of education, the members of which are to be elected pursuant to this code and to hold office for the terms provided by this code, and three members of such board of education were elected to hold office for a term expiring during the school year commencing on the date the district was formed for all purposes, the office of three members of the board of education shall be filled at the first election of governing board members following such date of formation for all purposes.

The term of office of such three members shall be determined by lot. The term of one member shall expire on June 30th of the year following his election; the term of one member shall expire on June 30th of the third year following his election; and the term of one member shall expire on June 30th of the fourth year following his election. The persons elected to succeed such three members shall hold office for four years.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The existing law relating to unified school districts provides for the situation in which one or two offices are to be filled at the first election held after the formation of a new unified

district, but there is no provision for the situation in which three offices must be filled at the first election. Therefore when a newly formed unified district includes a chartered city and is governed by a city board of education, and the terms of three members expire during such first year of formation, and the charter of such city makes applicable the provisions of the Education Code with respect to the election and terms of the members of such board of education, the existing law provides for the filling of only two of the three offices. In order that the board of education of such districts may be properly constituted with the five members as required by law, it is necessary that this law take effect immediately.

CHAPTER 14

An act to add Section 18155 to the Education Code, relating to school buildings, and making an appropriation therefor, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor January 28, 1955. Filed with
Secretary of State January 28, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 18155 is added to the Education Code, to read:

18155. The State Allocation Board may allocate any funds appropriated therefor to a school district for the necessary repair of a building to be used as a temporary school building because the regular school building of the district has been damaged or destroyed by fire or other causes after January 11, 1955, and before January 30, 1955, if the school building so damaged or destroyed was the only school building of the district. Any money allocated pursuant to this section shall be repaid in full by the district to the General Fund, plus interest as determined by the State Allocation Board, within two years after the making of the allocation. The school district may repay such money from the proceeds of any district bonds issued after the receipt of such allocation.

SEC. 2. The sum of two thousand six hundred dollars (\$2,600) is hereby appropriated from the General Fund to the State Allocation Board for allocation pursuant to Section 18155 of the Education Code.

SEC. 3. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The only school building of a school district has been completely destroyed by fire and the only available building for use as a temporary school building is in need of repairs before it can be so used. The school district does not have and is unable to raise sufficient funds for such repairs in the short

time necessary to make the building usable for the present school term. It is essential to the public welfare of the State to provide facilities for the education of the children and it is therefore necessary that this act take effect immediately.

CHAPTER 15

An act to amend Section 828.83 of the Agricultural Code, relating to citrus fruit, declaring the urgency of this act, to take effect immediately.

[Approved by Governor March 22, 1955. Filed with Secretary of State March 22, 1955]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 828.83 of the Agricultural Code is amended to read:

828.83.

			Citrus fruit containers
53	Standard two-compartment orange or grapefruit box, each compartment to be-----	11½	11½
54	Standard one-compartment orange or grapefruit box-----	11½	11½
55	Standard two-compartment half orange or grapefruit box, each compartment to be-----	5¾	11½
56	Standard two-compartment lemon box, each compartment to be -----	9⅞	13
57	Standard two-compartment half lemon box, each compart- ment to be-----	4½	13
58	Standard one-half orange, grape- fruit or lemon box-----	10½	10½

To allow for reasonable variations in the size of container number 58 by reason of manufacturing variations, atmospheric conditions and other factors affecting the size of such containers, the following tolerances from the foregoing dimensions shall be permitted:

A variation of plus or minus of one-eighth of an inch in any of two of the dimensions, height, width, or length. Notwithstanding this tolerance the net cubical contents of container number 58 shall not be less than 1,800 cubic inches.

Until July 1, 1956, the one-half orange, grapefruit or lemon box number 58 shall be considered standard when measuring 9¾ to 10½ inches in depth, 11 inches in width and 16¾ inches in length, all inside measurements.

To allow for reasonable variations in the size of packing containers by reason of manufacturing variations, atmospheric

conditions and other factors affecting the size of such containers, the following tolerances from the foregoing dimensions are hereby permitted:

The total inside length of the two compartments of the standard two-compartment orange or grapefruit box, or the standard two-compartment half orange or grapefruit box, shall not be less than $23\frac{1}{8}$ inches nor more than $24\frac{1}{8}$ inches;

The total inside length of the standard one-compartment orange or grapefruit box shall not be less than $23\frac{7}{8}$ inches nor more than $24\frac{1}{8}$ inches;

The total inside length of the two compartments of the standard two-compartment lemon box, or the standard two-compartment half lemon box, shall not be less than $24\frac{1}{8}$ inches nor more than $25\frac{1}{8}$ inches;

If made of wood, tolerance of one-eighth of an inch is hereby permitted in width or depth of any of said standard containers "across the grain" of the wood used in the manufacture thereof, over or under the sizes above specified, and a tolerance of one thirty-second of an inch over or under such sizes in width or depth "with the grain."

The lids for the above standard orange or grapefruit boxes numbers 53, 54 and 55 shall not exceed $26\frac{1}{8}$ inches in length, and for the above standard lemon boxes numbers 56 and 57 shall not exceed $27\frac{1}{8}$ inches in length.

Standard container number 58 shall be considered standard with interior parts such as liners, cleats, posts, or other similar parts, extending from the corners and partially covering the sides or ends or both, providing (1) the net cubical contents are not less than 1,800 cubic inches with interior parts in place, and (2) the actual dimensions conform to the specifications in this section when the inside width is measured from the center of the side panels and the inside length from the center of the end panels, both without allowance for any bulge and also with interior parts in place.

Urgency

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

A new packing season for citrus fruits will begin in the month of May. It is essential to the protection of the consuming public from fraud and deception that the citrus industry be permitted to use standard container number 58 of new dimensions throughout the entire packing season in order to establish acceptance in the market for California citrus packed in this new container. Unless this act goes into effect immediately, the citrus industry will not be permitted to use standard container number 58 until midway through the packing season.

CHAPTER 16

An act to amend Section 71343 of the Government Code, relating to jury trials in municipal courts, and declaring the urgency thereof.

[Approved by Governor March 24, 1955. Filed with
Secretary of State March 24, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 71343 of the Government Code is amended to read:

71343. In any judicial district containing a city of the first and one-half class in which a municipal court is established and where a session of the court is held at a place more than 10 miles from the principal office of the court, a majority of the judges of the court may establish an area surrounding the place where such session is being held comprising a population of at least 10,000, from which trial jurors for such session of the court shall be selected.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Section 71343 now permits the selection of trial jurors from the areas surrounding branch municipal courts in cases where such courts are located more than 20 miles from the principal office of the courts. It does not permit the selection of such jurors from areas surrounding branch courts which are located less than that distance from the principal office although there are several branch courts located less than 20 but more than 10 miles therefrom which would have as great a problem in obtaining competent jurors as would courts more distantly located. At present, no branch courts in such judicial district hold jury trials but the judges of the district are contemplating the immediate commencement of such practice. It is urgently necessary therefore that the amendment to Section 71343 take effect immediately.

CHAPTER 17

An act to amend Section 1743 of the Harbors and Navigation Code, relating to the Board of State Harbor Commissioners for San Francisco Harbor, declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 26, 1955. Filed with
Secretary of State March 26, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 1743 of the Harbors and Navigation Code is amended to read:

1743 A person shall not be appointed or employed by virtue of this part who is interested in any vessel sailing or plying in and out of or on the inland waters of the Bay of San Francisco, as owner, mortgagee, or otherwise, or as a stockholder in any company owning such vessels, or who is a consignee, the general or freight agent or manager of any such vessel, or agent or other employee of the owner of any such vessels, or who is engaged in the business of marine insurance, or of procuring such insurance, or who is engaged as a stevedore, in loading and discharging such vessels.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The San Francisco Harbor is one of the main vital arteries of commerce for our State and its smooth operation is unquestionably necessary for the public health and well-being of our people. However, at the present time there is a vacant position of port manager as the executive officer of the Board of State Harbor Commissioners for San Francisco Harbor. While the selection of the best qualified person from anywhere in the United States to fill the vacancy is essential for the proper management of the harbor, Section 1743 of the Harbors and Navigation Code prevents such selection. In order that such selection could be made as soon as possible and thereby better preserve the public health, safety, and welfare, it is necessary that this act take effect immediately.

CHAPTER 18

An act to amend Sections 796.1, 796.2, and 796.9 of the Agricultural Code, relating to citrus fruit.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 796.1 of the Agricultural Code is amended to read:

Unlawful
citrus fruit
mixtures

796.1. It shall be unlawful to mix or blend any citrus fruits which fail to conform to the requirements of this chapter with other citrus fruits which conform to such requirements for the purpose of selling, marketing, or transporting the fruit which has thus failed to conform to the requirements of this chapter.

Rot or
mold

Any packed citrus fruit which has been in storage or after being shipped fails to meet the requirements of the standards for citrus fruits established in this chapter only by reason of brown rot, blue mold, or green mold which has occurred after

packing, shall not be held for violation of the provisions of this chapter on account of such deterioration.

Oranges (except tangerines and mandarins), grapefruit, and lemons when packed in containers holding more than 25 pounds shall be regularly packed throughout in standard containers as provided and designated for each such citrus fruit in Section 828.83; provided, however, that packed citrus fruit imported into this State from another state need not be packed in said containers if they are packed in containers conforming to the applicable laws or regulations of the state of origin or of the United States.

All containers of packed citrus fruits when packed in containers holding more than 25 pounds and when loose or packed in a standard container number 58 which is closed shall bear upon them in plain sight and in plainly legible letters on one outside end: the name of the packer thereof together with a sufficiently explicit address to permit ready location of such packer; in the case of oranges (except tangerines and mandarins), grapefruit, and lemons the number and average diameter of the citrus fruit in the container; in the case of oranges and grapefruit the name of the variety, if known, and when not known, the words "unknown variety" or "seedlings"; provided, however, that in the case of citrus fruit imported from another state the average diameter of the fruit in the container need not be shown and in the case of a standard container number 58 which is not closed, the marking requirements of this section need not be shown.

Standard container number 58, containing loose or packed oranges, grapefruit or lemons in addition to being marked with the actual count and average diameter of the fruit in the container as required by this section, may be marked with the corresponding size in terms of the count that such fruits would pack in full-size standard containers as listed in Section 796.3 for oranges, in Section 796.4 for grapefruit and in Section 796.5 for lemons. The number indicating such "count size," if marked on the container, shall be accompanied by the term "size" so as to clearly refer to size, and both shall be in figures and letters no larger in size than the actual count marked on the container. If the "count size" is marked on the container, it must be placed near the statement of contents and the actual count figure must be accompanied by the term "count" so as to clearly refer to the count.

SEC. 2. Section 796.2 of said code is amended to read:

796.2. All oranges (except tangerines and mandarins), grapefruit or lemons intended for shipment out of the State of California, before being so shipped, shall be regularly packed throughout in lidded standard containers, as specified in this code for such fruit, and shall be uniform in size.

The provisions of this section shall not apply to (1) the sale, marketing or transportation for sale or marketing of oranges, grapefruit or lemons for charitable purposes, unemployment relief or for use by the United States Government or its

agencies for relief distribution, or (2) the sale, marketing or transportation for sale or marketing of oranges, grapefruit or lemons in closed containers intended for sale to the consumer in their unbroken form and the net contents of which do not exceed 25 pounds.

Oranges, grapefruit and lemons intended for shipment out of the State of California in standard container number 58 need not be regularly packed throughout the container but such container shall be closed.

Definitions

SEC. 3. Section 796.9 of said code is amended to read:

796.9. As applied to citrus fruits:

(a) "Diameter" means the diameter measurement taken at the widest portion of cross section, at a right angle to a straight line drawn from the stem end to the distal end thereof.

(b) "Regularly packed throughout" means that the individual fruits shall be packed in the container in straight rows.

(c) "Uniform in size" means that none of the fruit in any one container may be more than 15 percent larger or smaller in diameter than the average diameter of the fruit in the container.

(d) "Closed" when applied to standard container number 58 means that the container shall be completely closed by material of a similar quality to the adjoining portion of the box. Nothing in this paragraph applying to standard container number 58 shall prevent the use of ventilation openings and handhold openings so constructed that they are not large enough for removal of any part of the contents.

CHAPTER 19

An act to amend Section 16831 of the Education Code, relating to truants.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 16831 of the Education Code is amended to read:

16831. The attendance officer, any peace officer, or any school officer, shall arrest, during school hours, without warrant, any child between 8 and 16 years of age, found away from his home and who has been reported to him by the teacher, the superintendent of schools, or other person connected with the school department or schools as a truant from instruction upon which he is lawfully required to attend, within the county, city, or city and county, or school district.

CHAPTER 20

An act to amend Sections 322, 368 (as added by Chapter 1168 of the Statutes of 1945), 1553, and 1554 of the Education Code, relating to records.

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 322 of the Education Code is amended to read:

322. Whenever the destruction of records of a county board of education is not otherwise authorized or provided for by law, the secretary of the county board of education may destroy such records of the county board of education in accordance with regulations of the Superintendent of Public Instruction which he is herewith authorized to adopt. Destruction
of records

SEC. 2. Section 368 of said code, as added by Chapter 1168 of the Statutes of 1945, is amended to read:

368. Whenever the destruction of records of a county superintendent of schools is not otherwise authorized or provided for by law, the county superintendent of schools may destroy such records of his office in accordance with regulations of the Superintendent of Public Instruction which he is herewith authorized to adopt. Same

SEC. 3. Section 1553 of said code is amended to read:

1553. Whenever the destruction of records of a district is not otherwise authorized or provided for by law, the governing board of the district may destroy such records of the district in accordance with regulations of the Superintendent of Public Instruction which he is herewith authorized to adopt. Same

SEC. 4. Section 1554 of said code is amended to read:

1554. The governing board of any school district may make microfilm or photographic copies of any records of the district. The original of any records of which a photographic or microfilm copy has been made may be destroyed when provision is made for permanently maintaining such photographic or microfilm copies in the files of the district. Microfilm,
etc., copies
of school
district
records
authorized

CHAPTER 21

An act to repeal certain obsolete and superseded acts, relating to plant and animal industry and the products thereof.

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1851	102
1856	151
1857	56
1858	17
1858	87
1858	193
1859	146
1859	171
1860	138
1860	146
1860	173
1861	281
1861	367
1861	404
1861	411
1862	34
1862	49
1862	90
1862	224
1863	49
1863	199
1863	246
1863	274
1863	389
1863-4	30
1863-4	228
1863-4	278
1863-4	310
1863-4	393
1865-6	445
1865-6	518
1867-8	369
1869-70	204
1869-70	303
1871-2	356
1871-2	407
1871-2	458
1871-2	509
1871-2	631
1873-4	54
1873-4	72
1873-4	139
1873-4	164
1873-4	326
1873-4	471
1873-4	583
1875-6	242
1875-6	298
1875-6	310
1875-6	445
1875-6	603

Year	Chapter
1893	137
1895	104
1897	15
1905	50
1907	226
1907	237
1917	94
1917	224
1919	357
1921	697
1921	728
1929	859
1933	2
1935	391
1935	677
1935	704
1937	789
1943	69
1947	1179

CHAPTER 22

An act to repeal certain obsolete and superseded acts, relating to family relationships and rights and duties incident thereto.

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1850	103
1850	140
1851	20
1852	42
1855	17
1857	208
1862	121
1862	330
1863	132
1863	489
1869-70	161
1869-70	188
1869-70	227
1869-70	385

CHAPTER 23

An act to repeal certain obsolete and superseded acts, relating to the regulation of businesses, professions, and commercial enterprises.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all supplements thereto and amendments thereof, are repealed:

Year	Chapter
1853 -----	49
1861 -----	478
1862 -----	361
1863 -----	129
1863 -----	194
1863 -----	516
1871-72 -----	454
1880 -----	51
1905 -----	297
1907 -----	530
1911 -----	740
1939 -----	111

CHAPTER 24

An act to repeal an obsolete and superseded act, relating to trusts.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following act, together with all amendments thereof and all acts supplementary thereto, is repealed:

Year	Chapter
1867-8 -----	190

CHAPTER 25

An act to repeal certain obsolete and superseded acts, relating to contractual matters, including negotiable instruments, chattel mortgages, powers of attorney, and accord and satisfaction.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1850 -----	100
1850 -----	121
1851 -----	137
1853 -----	108
1854 -----	39
1857 -----	264
1861 -----	321
1863-4 -----	107
1867-8 -----	33
1867-8 -----	133
1877-8 -----	607
1891 -----	86
1935 -----	103
1935 -----	450

CHAPTER 26

An act to repeal an obsolete and superseded act, relating to the status of the common law in California.

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following act, together with all amendments thereof and all acts supplementary thereto, is repealed:

Year	Chapter
1850 -----	95

CHAPTER 27

An act to repeal certain obsolete and superseded acts, relating to the use and transfer of real property and the rights of creditors therein.

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1850 -----	101
1850 -----	114
1851 -----	11
1851 -----	31
1855 -----	140
1860 -----	120
1860 -----	320

Year	Chapter
1861	230
1861	462
1867-8	138
1869-70	534
1871-2	472
1873-4	411
1875-6	184
1893	185
1897	108
1913	113
1933	30
1933	263

CHAPTER 28

An act to repeal an obsolete and superseded act, relating to revision of the Civil Code.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. The following act, together with all amendments thereof and all acts supplementary thereto, is repealed:

Year	Chapter
1901	157

CHAPTER 29

An act to repeal certain obsolete and superseded acts, relating to the organization, operation, and maintenance of a system of state and local government.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. The following acts, and all amendments thereof and acts supplementary thereto, are repealed:

Year	Chapter
1850	145
1850	146
1860	140
1880	29
1909	134
1909	410
1933	1055
1943	788
1948	1

CHAPTER 30

An act to repeal certain obsolete and superseded acts, relating to the organization, operation, and maintenance of the system of State Government.

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, and all amendments thereof and acts supplementary thereto, are repealed:

Year	Chapter
1851 -----	119
1852 -----	21
1852 -----	46, Secs. 1 and 3 only
1853 -----	28
1853 -----	36
1853 -----	48
1853 -----	122
1855 -----	11
1855 -----	133
1856 -----	85
1857 -----	36
1857 -----	148
1857 -----	170
1857 -----	219
1857 -----	231
1858 -----	197
1859 -----	6
1859 -----	151
1859 -----	270
1860 -----	234
1860 -----	270
1860 -----	295
1860 -----	348
1861 -----	433
1861 -----	529
1862 -----	33
1862 -----	403
1862 -----	430
1863 -----	126
1863 -----	176
1869-70 -----	338
1869-70 -----	489
1871-72 -----	350
1871-2 -----	575
1889 -----	127
1889 -----	253
1893 -----	93
1909 -----	446

Year	Chapter
1909 -----	581
1911 -----	357
1921 -----	828
1923 -----	99
1923 -----	230
1927 -----	455
1929 -----	520
1935 -----	363
1937 -----	364
1937 -----	672
1939 -----	644
1939 -----	708
1941 -----	1190
1943 -----	411
1943 -----	572
1943 -----	991
1945 -----	1419
1946 (1st Ex. Sess.) -----	70
1946 (1st Ex. Sess.) -----	113
1947 -----	27
1947 -----	456
1949 -----	66
1949 -----	1099
1951 -----	1536
1953 -----	1455

CHAPTER 31

An act to repeal certain obsolete and superseded acts, relating to the regulation and conduct of elections.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1855 -----	189
1863 -----	355
1863-4 -----	383
1863-4 -----	413
1907 -----	343
1911 (1st Ex. Sess.) -----	31

CHAPTER 32

An act to repeal certain obsolete and superseded acts, relating to financial institutions and financial transactions.

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all acts and parts of acts amendatory thereof and supplementary thereto, are repealed:

Year	Chapter
1850 -----	31
1867-8 -----	372
1909 -----	240, Sec. 3 only

CHAPTER 33

An act to repeal certain obsolete and superseded acts, relating to procedures in civil actions and proceedings.

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are hereby repealed:

Year	Chapter
1850 -----	127
1850 -----	132
1851 -----	5
1852 -----	34
1852 -----	44
1852 -----	84
1853 -----	148
1854 -----	38
1855 -----	66
1855 -----	73
1855 -----	178
1856 -----	6
1856 -----	11
1856 -----	47
1856 -----	116
1857 -----	68
1857 -----	254
1858 -----	358
1859 -----	155
1859 -----	282
1861 -----	190
1861 -----	344
1861 -----	494

Year	Chapter
1861	522
1862	228
1863	45
1863	395
1863	401
1863	405
1863	411
1863-64	91
1863-64	92
1863-64	103
1863-64	133
1863-64	154
1863-64	219
1863-64	257
1863-64	359
1863-64	375
1863-64	411
1863-64	414
1863-64	451
1863-64	469
1865-66	12
1865-66	121
1865-66	247
1865-66	422
1865-66	550
1865-66	552
1865-66	627
1867-68	148
1867-68	179
1867-68	198
1867-68	222
1867-68	406
1867-68	427
1867-68	448
1869-70	163
1869-70	446
1871-72	86
1871-72	99
1871-72	244
1871-72	297
1873-74	343
1875-76	419
1875-76	568
1875-76	589
1877-78	382
1880	34
1883	37
1895	143
1901	102
1937	167
1937	538

CHAPTER 34

An act to repeal certain obsolete and superseded acts, relating to the formation, powers, and duties of corporations and associations.

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1850 -----	128
1857 -----	147
1861 -----	104
1862 -----	417
1865-6 -----	386
1865-6 -----	566
1867-8 -----	532
1869-70 -----	138
1869-70 -----	254
1869-70 -----	454
1871-2 -----	334
1871-2 -----	430
1871-2 -----	500
1871-2 -----	557
1873-4 -----	340
1875-6 -----	549

CHAPTER 35

An act to repeal certain obsolete and superseded acts, relating to the establishment, maintenance, government, and operation of schools and institutions of learning.

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts are hereby repealed:

Year	Chapter
1857 -----	111
1857 -----	221
1857 -----	224
1858 -----	349
1861 -----	399
1862 -----	269
1863 -----	198
1863-4 -----	283
1869-70 -----	556
1871-2 -----	346
1871-2 -----	576

Year	Chapter
1877-78	188
1893	210
1911	582
1939	1066
1945	1477
1945	1519
1947	57

CHAPTER 36

An act to repeal certain obsolete and superseded acts, relating to the protection and preservation of fish and game.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1854 (Special Laws)	67
1854 (Special Laws)	90
1855	102
1860	358
1862	104
1869-70	240
1915	89
1915	390
1915	725
1933	531

CHAPTER 37

An act to repeal certain obsolete and superseded acts, relating to the organization, operation, and maintenance of county governments.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1850	93
1852	91
1852	106
1856	145
1857	129

Year	Chapter
1857	253
1858	21
1858	55
1859	27
1859	262
1860	35
1860	250
1860	319
1861	54
1861	109
1861	139
1861	169
1861	174
1861	439
1862	114
1862	140
1862	246
1862	258
1862	343
1863	128
1863-64	49
1863-64	98
1863-64	123
1863-64	412
1865-66	102
1865-66	130
1865-66	456
1865-66	475
1865-66	586
1865-66	637
1865-66	646
1867-68	370
1869-70	36
1869-70	54
1869-70	95
1869-70	154
1869-70	382
1871-72	158
1871-72	436
1871-72	606
1871-72	624
1873-74	93
1873-74	439
1873-74	538
1873-74	557
1873-74	638
1873-74	654
1875-76	160
1875-76	368
1877-78	88
1889	165

Year	Chapter
1897	7
1897	258
1899	88
1901	78
1909	454
1913	51
1925	381
1927	442
1939	764
1939	765
1939	771
1939	772
1939	773
1939	821

CHAPTER 38

An act to repeal certain obsolete and superseded acts, relating to cities.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all acts amendatory thereof and supplementary thereto, are hereby repealed:

Year	Chapter
1860	151
1860	312
1861	493
1862	15
1862	181
1865-66	318
1865-66	647
1867-68	38
1869-70	32
1869-70	417
1869-70	538
1873-74	49
1873-74	470
1877-78	344
1877-78	512
1887	39
1897	13
1909	333
1911	355
1917	574
1919	342
1925	106

CHAPTER 39

An act to repeal certain obsolete and superseded acts, relating to a system of courts of the State and judges, officials, attaches and employees thereof.

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereof, are repealed:

Year	Chapter
1850 -----	23
1850 -----	79
1850 -----	88
1851 -----	43
1851 -----	51
1851 -----	63
1851 -----	64
1851 -----	65
1851 -----	66
1851 -----	67
1851 -----	68
1852 -----	47
1852 -----	80
1852 -----	85
1852 -----	130
1852 -----	157
1853 -----	127
1853 -----	165
1854 -----	54
1854 -----	56
1854 (Special Laws) -----	12
1854 (Special Laws) -----	61
1854 (Special Laws) -----	71
1854 (Special Laws) -----	79
1855 -----	25
1855 -----	97
1855 -----	122
1855 -----	221
1856 -----	1
1856 -----	37
1856 -----	89
1857 -----	117
1857 -----	180
1857 -----	257
1858 -----	6
1858 -----	62
1858 -----	73
1858 -----	122
1858 -----	141

Year	Chapter
1858	287
1858	293
1859	26
1859	60
1859	162
1859	212
1860	132
1860	137
1860	283
1861	172
1861	200
1861	231
1861	505
1862	6
1863	200
1863	250
1863	260
1863	429
1863	469
1863	510
1863-64	1
1863-64	7
1863-64	32
1863-64	46
1863-64	62
1863-64	145
1863-64	155
1863-64	186
1863-64	188
1863-64	231
1863-64	236
1863-64	240
1863-64	259
1863-64	351
1865-66	1
1865-66	40
1865-66	174
1865-66	202
1865-66	244
1865-66	344
1865-66	348
1865-66	444
1865-66	527
1865-66	583
1867-68	261
1867-68	318
1867-68	352
1867-68	488
1869-70	376
1869-70	384
1869-70	465

Year	Chapter
1871-72	101
1871-72	114
1871-72	226
1871-72	265
1871-72	289
1871-72	296
1871-72	396
1871-72	405
1871-72	471
1871-72	549
1873-74	341
1873-74	653
1875-76	27
1875-76	89
1875-76	100
1875-76	152
1875-76	384
1875-76	548
1877-78	25
1877-78	120
1877-78	337
1877-78	423
1877-78	478
1877-78	515
1877-78	532
1877-78	598
1877-78	599
1877-78	601
1877-78	650
1880	4
1880	31
1881	24
1881	64
1885	120
1885	124
1885	164
1887	2
1887	24
1887	48
1889	8
1889	9
1889	16
1889	66
1889	112
1889	180
1889	222
1891	68
1891	226
1893	1
1893	5
1893	15

Year	Chapter
1893	109
1893	115
1895	14
1895	44
1895	99
1895	138
1895	148
1895	178
1897	9
1897	52
1897	53
1899	14
1901	113
1901	134
1901	182
1901	226
1903	28
1903	161
1905	13
1905	104
1907	36
1907	457
1909	475
1909	596
1911	52
1911	91
1913	18
1913	20
1913	220
1913	267
1917	158
1917	193
1923	256
1927	12
1927	374
1927	377
1931	664
1941	476
1952 (1st Ex. Sess)	14

CHAPTER 40

An act to codify Section 41 of Chapter 641 of the Statutes of 1953, relating to savings and loan associations, by adding Section 5025 to the Financial Code, and repealing acts and parts of acts specified herein.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 5025 is added to the Financial Code, to read :

5025. Whenever in the laws of this State the words "Building and Loan Association Law," "Division of Building and Loan," "Building and Loan Commissioner," "Building and Loan Inspection Fund," "building and loan association," and "building and loan business" appear, they shall mean "Savings and Loan Association Law," "Division of Savings and Loan," "Savings and Loan Commissioner," "Savings and Loan Inspection Fund," "savings and loan association," and "savings and loan business," respectively.

SEC. 2. Section 41 of Chapter 641 of the Statutes of 1953 is repealed.

CHAPTER 41

An act to codify Sections 2 and 3 of Chapter 514 of the Statutes of 1929, relating to criminal offenses, by adding Article 3 to Chapter 12 of Title 13 of Part 1 of the Penal Code, and repealing acts and parts of acts specified herein.

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 3 is added to Chapter 12 of Title 13 of Part 1 of said code, to read:

Article 3. Trespass on Property Belonging to the University of California

558. Every person other than an officer, employee or student of the University of California, or licensee of the Regents of the University of California, is forbidden to enter upon those lands bordering on the Pacific Ocean in San Diego County, which were granted by Section 1 of Chapter 514 of the Statutes of 1929 to the Regents of the University of California for the uses and purposes of the University of California in connection with scientific research and investigation at the Scripps Institution of Oceanography, or upon state waters adjacent thereto, or to trespass upon the same, or to interfere with the exclusive possession, occupation, and use thereof by the Regents of the University of California.

Nothing herein contained shall be deemed or construed to affect in any manner the rights of navigation and fishery reserved to the people by the Constitution.

558.1. Every person who violates any of the provisions of Section 558 is guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than three hundred dollars (\$300) or by imprisonment for not more than 30 days, or by both such fine and imprisonment.

SEC. 2. Sections 2 and 3 of Chapter 514 of the Statutes of 1929 are repealed.

CHAPTER 42

An act to repeal certain obsolete and superseded acts, relating to the estates of decedents, missing persons, and wards.

In effect
September
7, 1955

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. The following acts, and all amendments thereof and acts supplementary thereto, are repealed:

Year	Chapter
1850 -----	72
1850 -----	96
1850 -----	115
1851 -----	124
1855 -----	229
1856 -----	77
1857 -----	108
1858 -----	72
1858 -----	125
1860 -----	365
1861 -----	531
1863-4 -----	339
1865-6 -----	317
1865-6 -----	335
1865-6 -----	548
1869-70 -----	533
1871-2 -----	464
1873-4 -----	112
1893 -----	184
1895 -----	27

CHAPTER 43

An act to repeal certain obsolete and superseded acts, relating to harbors, ports, and navigation, and matters incidental thereto.

In effect
September
7, 1955

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1850 -----	62
1860 -----	251
1865-6 -----	542
1900 (1st Ex. Sess.) -----	11
1903 -----	230
1907 -----	108
1923 -----	294

CHAPTER 44

An act to repeal certain obsolete and superseded acts, relating to the preservation of the public health and safety, including the health and safety of persons, the custody and disposition of dead bodies, the safety and protection of property, and matters incidental thereto.

[Approved by Governor March 30, 1955. Filed with Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1852 -----	41
1862 -----	365
1863-4 -----	314
1869-70 -----	304
1871-2 -----	81
1875-6 -----	420
1877-8 -----	449
1880 -----	94
1921 -----	188

CHAPTER 45

An act to repeal certain obsolete and superseded acts, relating to insurance.

[Approved by Governor March 30, 1955. Filed with Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all acts and parts of acts amendatory thereof and supplementary thereto, are repealed:

Year	Chapter
1865-66 -----	543
1869-70 -----	560
1933 -----	50

CHAPTER 46

An act to repeal certain obsolete and superseded acts, relating to labor and employment relations including the regulation of the importation and immigration of foreign nationals and others.

[Approved by Governor March 30, 1955. Filed with Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all acts and parts of acts amendatory thereof and supplementary thereto, are repealed:

Year	Chapter
1850	82
1855	153
1858	182
1858	313
1860	57
1860	123
1862	367
1883	80
1885	125
1891	140
1905	18
1917	172

CHAPTER 47

An act to repeal certain obsolete and superseded acts, relating to the armed forces and militia of the State and to civilian defense.

In effect
September
7, 1955

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. The following acts, and all amendments thereof and acts supplementary thereto, are repealed:

Year	Chapter
1863	264
1863	498
1865-66	541
1880 (code amendments)	63
1899	43
1941	901
1943	805

CHAPTER 48

An act to repeal certain obsolete and superseded acts, relating to crimes and criminal procedure.

In effect
September
7, 1955

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. The following acts, and all amendments thereof and acts supplementary thereto, are repealed:

Year	Chapter
1850	99
1850	122
1850	135
1851	18
1851	29
1853	19
1853	29
1853	138
1853	173
1854	12
1855	46
1855	67
1855	75
1855	86
1855	103
1855	127
1855	143
1855	160
1855	167
1855	175
1855	199
1855	224
1856	15
1856	110
1857	79
1857	126
1857	157
1857	230
1858	43
1858	171
1858	231
1858	242
1858	261
1858	291
1859	19
1859	130
1859	271
1859	287
1860	99
1860	100
1860	266
1860	351
1861	129
1861	229
1861	491
1861	535
1862	12
1862	97
1862	128
1862	273
1862	357

Year	Chapter
1862	378
1863	30
1863	130
1863	162
1863	408
1863	467
1863	505
1863	532
1863-64	22
1863-64	114
1863-64	147
1863-64	324
1863-64	330
1863-64	423
1865-66	64
1865-66	273
1865-66	505
1867-68	52
1867-68	137
1867-68	163
1867-68	199
1867-68	376
1867-68	468
1867-68	504
1869-70	46
1869-70	230
1871-72	102
1871-72	165
1871-72	227
1871-72	276
1871-72	280
1871-72	292
1871-72	385
1871-72	541
1873-74	76
1873-74	551
1875-76	58
1875-76	318
1875-76	388
1875-76	442
1875-76	552
1877-78	520
1877-78	521
1877-78	563
1880	71
1880	90
1883	51
1885	31
1885	39
1887	103
1887	128

Year	Chapter
1889	264
1891	206
1891	253
1893	121
1893	182
1895	102
1897	8
1901	158
1901	179
1909	240, Sec. 3 only
1909	553
1909	563
1913	540
1913	570
1915	13
1915	124
1917	406
1927	275
1927	407
1953	1373

CHAPTER 49

An act to codify Chapter 157 of the Statutes of 1911, Chapter 3 of the Statutes of 1911 (1st Ex. Sess.), and Chapter 109 of the Statutes of 1925, relating to water, including irrigation district bonds and watershed protection by adding Section 20066 to, and by adding Article 5 to Chapter 1, Part 2, Division 2 of, the Water Code, and repealing acts and parts of acts specified herein.

[Approved by Governor March 30, 1955. Filed with Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 20066 is added to the Water Code, to read:

20066. All bonds issued in accordance with, or declared legal investments by, Chapter 157 of the Statutes of 1911 or Chapter 3 of the Statutes of 1911 (1st Ex. Sess.) are of the same force and effect as are certified bonds under Sections 20064 and 20065. Bonds

SEC. 2. Article 5 is added to Chapter 1, Part 2, Division 2 of the Water Code, to read:

Article 5. Liability Within a Watershed

1245. Every municipal corporation of this State, and every person, firm or corporation engaged in supplying water to any municipal corporations for municipal, domestic or other uses, who enters any watershed, or any lands, streams or waters in Watersheds
Liability for
damages
within

the watershed for the purpose of acquiring or increasing a water supply for such purpose, or for the purpose of taking, diverting or transporting water for use by or in a municipal corporation, or for the purpose of supplying the needs of any municipal corporation, or its inhabitants, with water for the enumerated uses, shall be liable to all persons, firms and corporations, their heirs, representatives and successors, and to municipal corporations, districts and political subdivisions of this State whose property, business, trade, profession or occupation is within or conducted or carried on within the watershed entered, for all damage suffered or sustained by them either directly or indirectly because of injury, damage, destruction or decrease in value of any such property, business, trade, profession or occupation resulting from or caused by the taking of any such lands or waters, or by the taking, diverting or transporting of water from such watershed to and for use by or in any such municipal corporation.

Arbitration
or compro-
mise of
claims

1246. For the purpose of ascertaining the amount of any damage claimed to have been suffered or sustained by reason of any of the acts or things mentioned in Section 1245, every municipal corporation and every person, firm or corporation causing any such damage, is authorized to enter into an agreement for the arbitration or compromise of any claims, and all of the laws of this State relating to arbitration of controversies are made applicable to such claims.

Limitation

1247. Nothing in this article shall confer the right to recover damages resulting directly or indirectly by reason of the construction, operation or maintenance of any conduit, pipe line, canal, ditch, aqueduct, reservoir, power transmission line or power house.

Liberal
construction
Repeals

1248. This article shall be liberally construed.

SEC. 3. The following acts are repealed:

Year	Chapter
1911	157
1911 (1st Ex. Sess.)	3
1925	109

CHAPTER 50

An act to repeal certain obsolete and superseded acts, relating to natural resources and public lands, the conservation, utilization and supervision thereof, and matters incidental thereto.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1861 -----	218
1862 -----	186
1873-4 -----	381
1885 -----	166
1913 -----	300
1917 -----	602
1937 -----	689

CHAPTER 51

An act to repeal certain obsolete and superseded acts, relating to and regulating public utilities and other regulated businesses and matters incidental thereto, including publicly owned utilities.

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1857 -----	173
1858 -----	334
1875-6 -----	500
1901 -----	156
1931 -----	76

CHAPTER 52

An act to repeal certain obsolete and superseded acts, relating to taxation and the raising of revenue.

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed.

Year	Chapter
1853 -----	3
1854 -----	63
1857 -----	94
1857 -----	270
1860 -----	42
1861 -----	330
1862 -----	47

Year	Chapter
1862	176
1862	180
1862	230
1862	310
1862	416
1863-4	191
1863-4	264
1863-4	298
1863-4	450
1865-6	190
1865-6	389
1865-6	425
1865-6	565
1865-6	572
1867-8	95
1869-70	284
1871-2	85
1871-2	468
1875-6	485
1877-8	168
1899	11
1899	47
1899	86
1905	325
1905	334
1911	335
1935	525
1939	870
1941	681 (Secs. 3 through 8 only)
1941	836 (Secs. 3 through 8 only)

CHAPTER 53

An act to repeal certain obsolete and superseded acts, relating to streets, highways, roads, bridges, and ferries in this State.

In effect
September
7, 1955

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplemental thereto, are hereby repealed:

Year	Chapter
1860	73
1860	139
1861	25
1861	35

Year	Chapter
1861	374
1862	229
1863	235
1863	239
1863	275
1863	281
1863	468
1863-64	196
1863-64	464
1865-66	441
1867-68	292
1867-68	383
1867-68	411
1867-68	441
1867-68	486
1869-70	253
1869-70	581
1871-72	19
1871-72	167
1871-72	195
1871-72	253
1873-74	406
1873-74	490
1873-74	600
1875-76	201
1875-76	567
1877-78	439
1929	762
1933	107
1943	564
1943	565
1943	581

CHAPTER 54

An act to repeal certain obsolete and superseded acts, relating to public employment offices.

[Approved by Governor March 30, 1955. Filed with Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following act, together with all acts and parts of acts amendatory thereof and supplementary thereto, are repealed:

Year	Chapter	Page
1935	258	943

CHAPTER 55

An act to repeal certain obsolete and superseded acts and sections of acts, relating to the administration and enforcement of laws regulating or concerning the use, operation, or registration of vehicles used upon the public streets and highways of this State.

In effect
September
7, 1955

[Approved by Governor March 30, 1955 Filed with
Secretary of State March 30, 1955]

The people of the State of California do enact as follows:

SECTION 1. The following acts and sections are hereby repealed:

Year	Chapter	Page
1937 -----	705	1978
1945 -----	1020 (Sec. 8 only)	1966
1946 (1st Ex.) -----	150	195
1947 (1st Ex.) -----	8	3785

CHAPTER 56

An act to repeal certain obsolete and superseded acts, relating to water, including the use of water, the acquisition and regulation of water rights, the control and utilization of water, the distribution of water, the supervision of dams, the use of and rights in streams, wells, pumping plants, and conduits, and the establishment and operation of public districts relating to water.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The following acts are repealed:

Year	Chapter
1861 -----	485
1863 -----	349
1865-66 -----	277
1865-66 -----	570
1865-66 -----	605
1867-68 -----	111
1871-72 -----	570
1873-74 -----	162
1873-74 -----	413
1873-74 -----	425
1873-74 -----	532
1875-76 -----	137
1875-76 -----	594
1877-78 -----	153
1877-78 -----	429

Year	Chapter
1880 -----	109
1885 -----	102
1889 -----	20
1889 -----	21
1889 -----	168
1889 -----	178
1893 -----	194
1893 -----	241
1895 -----	137
1901 -----	118
1907 -----	161
1921 -----	88
1927 -----	286
1927 -----	596
1929 -----	561
1929 -----	702
1931 -----	54
1933 -----	448
1933 -----	835
1933 -----	940
1934 (Ex. Sess.) -----	7
1935 -----	226
1935 -----	372
1936 (Ex. Sess.) -----	4
1937 -----	213

SEC. 2. The following act is repealed:

Year	Chapter
1911 (1st Ex.) -----	41

The repeal shall take effect October 1, 1957.

CHAPTER 57

An act to repeal certain obsolete and superseded acts, relating to protection, care, and assistance to children, aged, and blind persons.

[Approved by Governor March 30, 1955. Filed with Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1871-72 -----	619
1873-74 -----	199
1877-78 -----	626
1937 -----	786
1941 -----	879
1943 -----	40

Year	Chapter
1943	41
1943	42
1943	481, Sec. 63 only
1946 (1st Ex. Sess.)	129

CHAPTER 58

An act to codify Chapter 479 of the Statutes of 1927, relating to inmates of the Preston School of Industry, by adding Section 1125.5 to the Welfare and Institutions Code, and repealing acts and parts of acts specified herein.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1125.5 is added to the Welfare and Institutions Code, to read:

1125.5. When any public road is a principal means of access to the Preston School of Industry the Department of the Youth Authority, with the consent of the Department of Finance, may arrange with the California Highway Commission or the board of supervisors of the county in which the road is located for the employment of the inmates of the school in the improvement or maintenance of the road, under supervision of the officers of the school and without compensation to the inmates so employed.

SEC. 2. Chapter 479 of the Statutes of 1927 is repealed.

CHAPTER 59

An act to codify Chapter 500 of the Statutes of 1861, Chapter 281 of the Statutes of 1865-6, Chapter 268 of the Statutes of 1873-4, Section 2 of Chapter 269 of the Statutes of 1905, and Section 7 of Chapter 29, Sections 61 and 63 of Chapter 743 and Sections 199 and 200 of Chapter 744 of the Statutes of 1933, relating to civil actions and civil procedure, by adding Sections 81, 116, 182, 262.11, 690.51, 690.52, 934, 967, 972, and 1927.5 to, and by amending Sections 12a and 675a of, the Code of Civil Procedure, and repealing acts and parts of acts specified herein.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12a of the Code of Civil Procedure is amended to read:

12a. If the last day for the performance of any act provided or required by law to be performed within a specified

Holidays:
Performance
of duty on

period of time shall be a holiday, then such period is hereby extended to and including the next day which is not a holiday. The term "holiday" as used herein shall mean all holidays specified in Sections 6700 and 6701 of the Government Code and, to the extent provided in Section 12b of this code, all days which by terms of said Section 12b are required to be considered as holidays; provided, however, that for a period of time expiring prior to January 1, 1952, time shall be computed and extended in accordance with the provisions of this section as they existed on January 1, 1951.

This section applies also to Sections 659, 659a, 946, and 974 through 982 of this code, and the periods of time severally therein prescribed or provided for, and to all other provisions of law, however stated or wherever expressed, providing or requiring an act to be performed on a particular day or within a specified period of time. The mention of said sections herein is not intended and shall not be construed to exclude the application of this section to such other provisions of law, whether the latter are expressed in this or any other code or statute, ordinance, rule, or regulation.

SEC. 2. Section 81 is added to Article 1 of Chapter 5 of Title 1 of Part 1 of said code, to read:

81. The headings to this chapter and the articles in this chapter shall not be deemed to govern or limit the scope or meaning of such chapter and articles. Statutory construction

SEC. 3. Section 116 is added to Chapter 5A of Title 1 of Part 1 of said code, to read:

116. The heading to this chapter shall not be deemed to govern or limit the scope or meaning of this chapter.

SEC. 4. Section 182 is added to Chapter 5 of Title 2 of Part 1 of said code, to read:

182. The heading to this chapter shall not be deemed to govern or limit the scope or meaning of this chapter.

SEC. 5. Section 262.11 is added to said code, to read:

262.11. In all cases where new counties have been or may hereafter be created, and executions, orders of sale upon foreclosures of mortgages, or other process affecting specific real estate have been or may hereafter be adjudged by the final judgment or decree of a court of competent jurisdiction, to be executed by the sheriff of the county in which such real estate was originally situated, such process may be executed by the sheriff of the new county in which such real estate is found to be situated, with the like effect as if he were the sheriff of the county designated in the judgment, decree, or order of sale to execute the same. Execution of process by sheriff of newly formed county

SEC. 6. Section 675a of said code is amended to read:

675a. Whenever a mortgage on real property is foreclosed in this State and the property covered by such mortgage is sold under and pursuant to the decree of foreclosure entered in the action in which such foreclosure is had, it shall be the duty of the sheriff, or commissioner making the sale, as the case may be, within five days after the purchaser at the sale Satisfaction of mortgage

becomes entitled to a deed from such sheriff, or commissioner thereunder, to enter upon the margin of the county records where such mortgage is recorded, if the same be recorded, a satisfaction of the same.

Such satisfaction shall be substantially in the following form:

Full satisfaction and discharge of the within mortgage by foreclosure is hereby entered this _____ day of _____, 19____. Decree of foreclosure entered this _____ day of _____, 19____, in Cause No. ____ entitled _____ v. _____. Sale under such decree had the _____ day of _____, 19____.

Sheriff (Commissioner)

SEC. 7. Section 690.51 is added to said code, to read:

Exemptions
from levy
and sale
Graves

690.51. All lots of land, not exceeding one-quarter of an acre in size, owned, used, or occupied by any person or by any person in joint tenancy or tenancy in common with any other person or persons, in any graveyard, cemetery, or other place for the sole purpose of burying the dead, together with the railing or fencing enclosing the same, and all gravestones, tombstones, monuments, and other appropriate improvements thereon erected, are exempt from levy and forced sale by virtue of any writ, order, judgment, or decree or by any legal process whatever. In cases of religious or benevolent associations or corporations, the amount of land so exempt may extend to not exceeding five acres.

Not more than one lot owned, used, or occupied by any such person or by any person in joint tenancy or tenancy in common with any other person or persons or such association or corporation in any one cemetery, graveyard or other place is exempted by this section.

This section does not apply to land held by any person or persons, association, or corporation for the purpose of sale or disposition as burial lots or otherwise.

SEC. 8. Section 690.52 is added to said code, to read:

Church
pews

690.52. All pews in churches and meeting-houses, used for religious purposes, owned and claimed by any person, or held, in accordance with the rules and regulations of such churches, are exempt from levy and sale on any writ or legal process or by operation of any law whatever.

SEC. 9. Section 934 is added to Chapter 1 of Title 13 of Part 2 of said code, to read:

Statutory
construction

934. The heading to this chapter shall not be deemed to govern or limit the scope or meaning of this chapter.

SEC. 10. Section 967 is added to Chapter 2 of Title 13 of Part 2 of said code, to read:

967. The heading to this chapter shall not be deemed to govern or limit the scope or meaning of this chapter.

SEC. 11. Section 972 is added to Chapter 3 of Title 13 of Part 2 of said code, to read:

972. The heading to this chapter shall not be deemed to govern or limit the scope or meaning of this chapter.

SEC. 12. Section 1927.5 is added to said code, to read:

1927.5. Duplicate copies and authenticated translations of original Spanish title papers relating to land claims in this State, derived from the Spanish or Mexican Governments, prepared under the supervision of the Keeper of Archives, authenticated by the Surveyor-General or his successor and by the Keeper of Archives, and filed with a county recorder, in accordance with Chapter 281 of the Statutes of 1865-6, are receivable as prima facie evidence in all the courts of this State with like force and effect as the originals and without proving the execution of such originals.

SEC. 13. The following acts are repealed:

Repeals

Year	Chapter
1861 -----	500
1865-6 -----	281
1873-4 -----	268
1905 -----	269, Sec. 2 only
1933 -----	29, Sec. 7 only
1933 -----	743, Secs. 62 and 63 only
1933 -----	744, Secs. 199 and 200 only

CHAPTER 60

An act to codify Section 2 of Chapter 27 of the Statutes of 1889, relating to the collection of stud fees, by adding Section 3064.1 to the Civil Code, and repealing Chapter 27 of the Statutes of 1889.

[Approved by Governor March 30, 1955. Filed with Secretary of State March 30, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3064.1 is added to the Civil Code, to read:

3064.1. Every person who wilfully advertises any cattle, horse, sheep, swine, or other domestic animal for purposes of copulation or profit as having a pedigree other than the true pedigree of such animal shall forfeit all right by law to collect pay for the services of such animal.

SEC. 2. Chapter 27 of the Statutes of 1889 is repealed.

CHAPTER 61

An act to codify Chapter 835 of the Statutes of 1937 and Sections 14 and 16 of Chapter 678 of the Statutes of 1917, relating to plant and animal industry and the products thereof, by adding Section 87.6 to the Agricultural Code; Article 18 to Chapter 2 of Division 3 of said code; and repealing acts and parts of acts specified herein.

In effect
September
7, 1955

[Approved by Governor March 30, 1955. Filed with
Secretary of State March 30, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 87.6 is added to the Agricultural Code, to read:

Payments by
San Fran-
cisco to
1-A District
Agricultural
Association

87.6. The City and County of San Francisco may appropriate and pay over to 1-A District Agricultural Association for the general uses and purposes of the association such sums of money as the city and county may determine.

SEC. 2. Article 18 is added to Chapter 2 of Division 3 of said code, to read:

Article 18. Driving Cattle From Their Range

"Range"

370. As used in this article, "range" means the enclosed or unenclosed lands outside of cities, towns and villages in this state, whether of the public domain or in private ownership, upon which by custom, license or otherwise, cattle are kept or permitted to roam and feed.

Cattle
theft

371. Any person not being the owner or having the right of possession of any cattle, who is found driving such cattle off its usual range, without the consent of the owner, is guilty of grand theft.

Repeals

SEC. 3. The following acts, together with all amendments thereof and all acts supplementary thereto, are repealed:

Year	Chapter
1917 -----	678
1937 -----	835

CHAPTER 62

An act to amend Section 13231 of the Education Code, relating to school registers and central attendance accounting.

In effect
September
7, 1955

[Approved by Governor March 31, 1955. Filed with
Secretary of State March 31, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13231 of the Education Code is amended to read:

13231. (a) A state school register shall be kept by every teacher in the public elementary schools, except a teacher in:

(1) A school in which the state school register of each teacher is kept on behalf of the teacher in a central office by an employee of the school district.

(2) A school in which a central file of individual records of pupil enrollment, absence, and attendance is maintained on forms containing at least the minimum items of information prescribed by the State Department of Education, and whose principal submits periodic reports of pupil personnel data to the city or district superintendent of schools, or, if no superintendent is employed in the district, to the county superintendent of schools on forms approved by the State Department of Education.

(b) There shall be recorded in each state school register the absence and attendance of each pupil enrolled in the classes taught by the teacher keeping the register or on whose behalf the register is kept and any additional information required by the State Department of Education.

CHAPTER 63

An act to amend Sections 2891, 2892, 2893, and 2895 of the Education Code, relating to school districts.

[Approved by Governor March 31, 1955. Filed with Secretary of State March 31, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2891 of the Education Code is amended to read:

2891. Any single school district or any union or joint union school district, hereinafter in this article called the petitioning district, may be admitted to a union or joint union school district, hereinafter in this article called the admitting district, pursuant to this article, and upon such terms as may be agreed upon between the governing board of the petitioning district and the governing board of the admitting district.

SEC. 2. Section 2892 of said code is amended to read:

2892. If the petitioning school district and the admitting district are not wholly situated in the same county, then the petition shall be presented in duplicate to the county superintendent of schools of each county in which any part of either of the districts is situated.

SEC. 3. Section 2893 of said code is amended to read:

2893. A majority of the registered voters who reside in the petitioning district and who have children enrolled in any elementary school, whether in the district of residence or another district, as shown by the teachers' register for the current or next preceding term, shall present to the county superintendent of schools a petition for annexation. The petition shall be accompanied by an agreement to the annexation, signed by a majority of the members composing the governing board of the admitting district.

SEC. 4. Section 2895 of said code is amended to read:

Conduct of
election

2895. The election shall be called and conducted in all respects as specified in Article 1 of this chapter except that the form of ballot shall be: "For annexation to the ----- Union or Joint Union School District." If a majority of the votes cast in the entire petitioning district is in favor of the annexation, the annexation is complete. The result of the election shall be reported by the election officers in each district to the superintendent of the county in which the district is situated within five days after the election.

CHAPTER 64

An act to amend Section 2593 of the Education Code, relating to school districts.

In effect
September
7, 1955

[Approved by Governor March 31, 1955 Filed with
Secretary of State March 31, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2593 of the Education Code is amended to read:

2593. If a district is not re-established within two years after having been suspended the board of supervisors shall declare the district lapsed.

CHAPTER 65

An act to amend Section 1593 of the Education Code, relating to school districts.

In effect
September
7, 1955

[Approved by Governor March 31, 1955 Filed with
Secretary of State March 31, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1593 of the Education Code is amended to read:

1593. In the case of every other action referred to in this article, the action shall be effective on the date the action is completed for the following purposes:

(a) The determination of the assessed valuation of any district or districts affected by the action.

(b) The appointment or election of members of the governing boards of the school districts affected.

(c) The preparation and submission of school district budgets.

(d) The election or appointment of employees for the ensuing school year.

(e) The calling and conducting of elections for and the issuance and sale of school district bonds.

(f) The exercise by the governing boards of the school districts affected of other powers and duties vested in governing boards of school districts of the same type or class and not inconsistent with other provisions of this code.

(g) The holding of an election to determine whether a newly formed elementary school district, or a district comprised within a newly formed union or joint union elementary school district shall become a part of a high school district.

(h) The calling and conducting of elections to increase the maximum rates of tax for district or districts affected.

(i) The calling and conducting of elections for the assumption of bonded indebtedness.

(j) The unionization or uniting of the district with one or more school districts, its annexation to another school district, the unification of the district, the changing of its boundaries, or other reorganization affecting it.

CHAPTER 66

An act to add Section 1503.6 to the Education Code, relating to interdistrict attendance agreements.

[Approved by Governor March 31, 1955. Filed with
Secretary of State March 31, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1503.6 is added to the Education Code, to read:

1503.6. The governing board of any school district may admit to the schools or classes maintained in the district any pupils who reside in another school district during any of the first three (3) fiscal years of existence for all purposes of the district of residence, whenever an agreement is entered into between the governing boards stipulating the terms upon which the interdistrict attendance shall be permitted.

CHAPTER 67

An act to amend Sections 3942, 3971 and 3972 of, and to repeal Section 3943 of the Education Code, relating to school districts.

[Approved by Governor March 31, 1955. Filed with
Secretary of State March 31, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3942 of the Education Code is amended to read:

Lapsation

3942. Upon receiving the report from the county superintendent of schools the board of supervisors shall declare the high school district lapsed. The board of supervisors shall attach the territory of the lapsed high school district to a contiguous high school district or unified district. The property and obligations of the lapsed district shall become the property and obligations of the high school district or unified district to which the territory is attached.

Repeal

SEC. 2. Section 3943 of said code is repealed.

Disincorporation
Order

SEC. 3. Section 3971 of said code is amended to read:

3971. Upon receiving the report, the board of supervisors shall, at the first meeting thereafter, make an order declaring the high school district duly disincorporated and dissolved, to take effect at the end of the existing school year and attaching the territory of the high school district to a contiguous high school district or unified district as the case may be as specified in the petition calling the election.

Real
property,
funds, etc

SEC. 4. Section 3972 of said code is amended to read:

3972. When a high school district has been disincorporated, any real property of the district shall become the property of the high school or unified district to which the territory including such property has been attached. The funds and obligations of the disincorporated district shall be credited to the districts to which the territory has been attached in proportion to the assessed valuation of the territory attached to each of the respective districts.

CHAPTER 68

An act to amend Sections 796.6 and 796.8 of the Agricultural Code, relating to citrus fruit.

In effect
September
7, 1955

[Approved by Governor April 1, 1955 Filed with
Secretary of State April 1, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 796.6 of the Agricultural Code is amended to read:

Containers:
Number and
size of
oranges,
grapefruit,
and lemons

796.6. The count of oranges, grapefruit and lemons when packed or placed loose without packing in standard container number 58 and the number marked on the container as required in Section 796.1 shall be one of the numbers tabulated in Column A below for oranges or for grapefruit or for lemons and the average diameter marked on the containers shall be the corresponding measurement tabulated in Column B, below:

The average diameter in inches of the oranges, grapefruit or lemons in the container, as determined by inspection of a representative sample, shall be not less than the corresponding measurement tabulated in Column B for each such fruit.

Oranges		Grapefruit		Lemons	
Column A	Column B	Column A	Column B	Column A	Column B
Count	Av. Dia.	Count	Av. Dia.	Count	Av. Dia.
24	4.370	9	6.200	63	2.925
32	3.970	12	5.640	75	2.775
40	3.680	14	5.350	90	2.625
50	3.420	16	5.120	105	2.475
63	3.170	18	4.920	126	2.345
75	3.000	20	4.750	135	2.270
88	2.840	22	4.610	150	2.190
100	2.720	23	4.540	180	2.065
108	2.640	24	4.470	216	1.940
110	2.625	27	4.270	221	1.920
126	2.500	32	4.030	245	1.850
144	2.375	35	3.910	270	1.800
172	2.250	40	3.740	294	1.750
196	2.150	50	3.480	319	1.685
210	2.070	63	3.190	343	1.640
221	2.050	75	3.000	---	---
245	1.980	88	2.840	---	---
270	1.920	---	---	---	---

Oranges, grapefruit and lemons when placed loose without packing in standard container number 58 must be placed in the container so compactly that they will not readily move in the container; the container must be level full of fruit; and the count of fruit in each container must be equal to the count marked with a permissible count in excess not exceeding 12 percent.

The count of oranges, grapefruit and lemons when packed in standard container number 58 must be equal to the count marked with a permissible count in excess not exceeding 5 percent.

SEC. 2. Section 796.8 of said code is amended to read:

796.8. The compliance or noncompliance with the provisions of Sections 796.2, 796.3, 796.4, 796.5, and 796.6 of this chapter, may be determined from a representative sample which shall consist of not less than 10 percent, by count, of the oranges, grapefruit or lemons in a container.

Determina-
tion of
compliance

CHAPTER 69

An act to codify Chapter 728 of the Statutes of 1911, relating to cancellation of tax liens on any sixteenth or thirty-sixth section or legal subdivision thereof, by adding Article 4 to Chapter 4 of Part 9 of Division 1 of the Revenue and Taxation Code, and repealing acts and parts of acts specified herein.

[Approved by Governor April 1, 1955. Filed with
Secretary of State April 1, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 4 is added to Chapter 4 of Part 9 of Division 1 of the Revenue and Taxation Code, to read:

Article 4. Cancellation of Tax Liens on Any Sixteenth or
Thirty-sixth Section or Legal Subdivision Thereof

5071. On petition of the State Lands Commission, the board of supervisors, at its first meeting after receipt of the petition, shall order the cancellation of all liens for taxes on any sixteenth or thirty-sixth section, or legal subdivision thereof, which, subsequent to March 24, 1909, is used as the base for lieu selections.

5072. A certificate from the State Lands Commission certifying that any sixteenth or thirty-sixth section is to be used as the base for lieu selections is authority for the action of the board of supervisors in ordering the cancellation of liens for taxes on such lands.

5073. The board of supervisors shall report the cancellation of the liens to the State Lands Commission and to the county recorder. The county recorder shall note such cancellation on his records.

SEC. 2. Chapter 728 of the Statutes of 1911 is repealed.

CHAPTER 70

An act to codify Section 9 of Chapter 681 of the Statutes of 1941, relating to the sales and use taxes, by adding Section 6007.5 to the Revenue and Taxation Code, and repealing acts and parts of acts specified herein.

In effect
September
7, 1955

[Approved by Governor April 1, 1955. Filed with
Secretary of State April 1, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6007.5 is added to the Revenue and Taxation Code, to read:

6007.5. A sale of tangible personal property to a contractor or subcontractor for use in the performance of contracts with the United States for the construction of improvements on or to real property is a retail sale. The gross receipts from such a sale or the sales price of property so sold shall be included in the measure of the taxes imposed by this part.

SEC. 2. Section 9 of Chapter 681 of the Statutes of 1941 is repealed.

CHAPTER 71

An act to codify Section 2 of Chapter 550 of the Statutes of 1941, Chapter 1127 of the Statutes of 1931, Chapter 1755 of the Statutes of 1953, Section 3 of Chapter 922 of the Statutes of 1945, and Chapter 1319 of the Statutes of 1947, relating to natural resources, the conservation, utilization, and supervision thereof, and matters incidental thereto, by adding Sections 504.5, 4446, 4502.5, 4502.6, and 6321.5 to,

adding Article 3.5 to Chapter 1, Division 5 of, and amending Section 5031 of, the Public Resources Code, and repealing acts and parts of acts specified herein.

[Approved by Governor April 1, 1955 Filed with
Secretary of State April 1, 1955.]

In effect
September
7 1955

The people of the State of California do enact as follows:

SECTION 1. Section 504.5 is added to the Public Resources Code, to read:

504.5. Wherever "Division of Parks" is used in this code or any provision of law, the phrase shall mean the Division of ^{"Division of parks"} Beaches and Parks.

SEC. 2. Section 4446 is added to said code, to read:

4446. The State Forester, with the approval of the Director ^{Forest cover} of Finance, may enter into agreements with federal agencies for the purpose of investigating the effect of forest cover in the conservation of water and the prevention of erosion on watershed areas.

SEC. 3. Section 4502.5 is added to said code, to read:

4502.5. Pursuant to Sections 4501 and 4502, the State Park ^{Acquisition of sequoia forests} Commission, or the State Forester on favorable recommendation of the State Board of Forestry, may acquire any forested lands on which are found growing trees of the species *Sequoia gigantea* when, in the opinion of the commission or the State Board of Forestry, the acquisition of such forested lands is necessary to the preservation of the Sequoia trees and to the public welfare.

SEC. 4. Section 4502.6 is added to said code, to read:

4502.6. Whenever sufficient moneys are paid into the State ^{Tideland revenues} Park Fund from the moneys impounded pursuant to Chapter 7 of the Statutes of 1951, and are appropriated by the Legislature therefor, the State Park Commission, or the State Forester upon the favorable recommendation of the State Board of Forestry, shall proceed, as provided in this chapter, to acquire and preserve groves of *Sequoia gigantea* trees in accordance with the general principles set forth in the report made to the Legislature pursuant to Resolutions Chapter 129 of the Statutes of 1951.

A copy of each deed conveying lands to the State, pursuant to this chapter, shall be delivered to the State Lands Commission.

SEC. 5. Section 6321.5 is added to said code, to read:

6321.5. All applications made to the State Lands Commis- ^{Tidelands} sion for erection of any structure on ocean tidelands or submerged lands or for depositing or removal therefrom of any material under Sections 6303 or 6321 or any other section of this code shall be submitted by the commission to the Division of Beaches and Parks to make an examination and report thereon whenever the commission determines that the action proposed in such application might interfere with the recreational use of lands littoral to tidelands or submerged lands involved in such application. If it is found that the action

proposed in any application would unreasonably interfere with the maintenance or use thereof for recreational purposes, such application shall not be granted unless modified in a manner which may avoid such interference.

SEC. 6. Article 3.5 is added to Chapter 1, Division 5 of said code, to read:

Article 3.5. Columbia Historic State Park

Columbia
Historic
State Park:

5040. It is hereby declared to be the policy of the State of California to establish and preserve as a historical monument representative of the early gold mining days of this State that portion of the old town of Columbia in Tuolumne County whose acquisition was initiated under the provisions of Chapter 1387 of the Statutes of 1945.

5041. To assure the accomplishment of this policy it is directed that:

Master
plan

(a) The Division of Beaches and Parks under the direction of the Director of Natural Resources and in accordance with the policies established by the State Park Commission shall make a survey based on historical research to determine the type and materials of construction, location, and uses of the structures which existed on the acquired area of the town of Columbia during those "early days"; and based on the data so obtained shall prepare a master plan of restorational development to which when approved by the commission all work of preservation and restoration shall substantially conform. Thereafter such master plan shall be modified only with the specific approval of the commission acting upon additional authentic information. Pending completion and approval of such master plan work of preservation and repair of existing structures which have existed since "early days" and the restoration and erection of such structures the authenticity of whose plans and construction may be satisfactorily determined may be accomplished by the division under supervision of the director when approved by the commission, to the extent of availability of appropriated funds or of other funds donated to the commission for such purposes.

Leases

(b) Leases of buildings within the area may be made with the approval of the director on such terms and conditions as determined by the commission for occupancy, including such lawful use which is found to be the same or similar use which held in the "early days" or which as determined by the commission is not inconsistent with the objective of this act.

Museum

(c) A building or buildings shall be used for the establishment of a museum to shelter and display exhibits of appliances used in mining or other activities of the vicinity, articles formerly possessed or used by "early day" inhabitants of the town, and items of historic interest or suitable for inclusion as approved by the commission, whether loaned, donated or otherwise acquired.

Memorials

(d) Any structures whose preservation or restoration is assured by suitable contribution, when approved by the com-

mission, may be named in honor of or as a memorial to the donor or as designated by the donor.

5042. The Columbia Historic Park Association, a non-profit corporation, is designated as a committee advisory to the commission in the research incident to and adoption of the master plan for development and upon policies of preservation, restoration and management of Columbia Historic State Park. Columbia
Historic
Park
Association

5043. Columbia Historic State Park is a unit of the State Park System and shall be administered in accordance with the laws applying thereto subject to the provisions of this article. Adminis-
tration

SEC. 7. Section 5031 of said code is amended to read:

5031. The State Park System includes:

1. California Redwood Park.
 2. Chief Solano Monument.
 3. Donner Monument.
 4. First Theater (Monterey).
 5. Fort Ross Historical Monument.
 6. Junipero Serra Monument.
 7. Marshall's Monument.
 8. Mission Bay State Park.
 9. Monterey Custom House.
 10. Mount Diablo State Park.
 11. Pio Pico Mansion.
 12. San Pasqual Battlefield
 13. Sonoma Mission Historical Monument.
 14. Tamalpais State Park.
 15. Columbia Historic State Park.
- State Park
System

SEC. 7. The following acts and parts of acts, together with all acts amendatory thereof and supplemental thereto, are repealed: Repeals

Year	Chapter
1931	1127
1941	550
1945	922
1947	1319
1953	1755

CHAPTER 72

An act to codify Chapter 4 of the Statutes of 1949, Chapter 86 of the Statutes of 1949, and Chapter 406 of the Statutes of 1949, relating to the system of publicly supported higher education, by adding Chapters 3.1, 3.2, and 3.3 to Division 10 of the Education Code, and repealing acts and parts of acts specified herein.

[Approved by Governor April 1, 1955. Filed with
Secretary of State April 1, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Chapter 3.1 is added to Division 10 of the Education Code, to read:

CHAPTER 3.1. LONG BEACH STATE COLLEGE

Article 1. Establishment

Long Beach
State College

20661. There is in the area consisting of Orange County and the southeastern part of Los Angeles County, outside the City of Los Angeles, the Long Beach State College.

Law
applicable

20662. The provisions of Chapter 2 of this division and all other laws relating to state colleges are applicable to the Long Beach State College.

SEC. 2. Chapter 3.2 is added to Division 10 of said code, to read:

CHAPTER 3.2. LOS ANGELES STATE COLLEGE OF
APPLIED ARTS AND SCIENCES

Article 1. Establishment

Los Angeles
State College
of Applied
Arts and
Sciences

20671. There is in the City of Los Angeles the Los Angeles State College of Applied Arts and Sciences.

Purposes and
functions

20672. The purposes and functions of the college are those which serve the needs of the community and of the State and primarily include, but not limited to, the training of students for gainful occupations in the arts and sciences as related to business and industry, and in furtherance of such purposes, the college shall initiate the establishment of cooperative relationships with industry and business looking toward the development of programs of training which will relate practical experience with classroom instruction.

Advisory
board

20673. There is an advisory board for the college consisting of seven members, all of whom shall reside in the County of Los Angeles and three of whom shall be members of the Board of Education of the City of Los Angeles. Six members of the board shall be appointed by the Director of Education by and with the advice and consent of the State Board of Education and the Board of Education of the City of Los Angeles and the six members so appointed shall appoint the seventh member. The term of office of each member shall be four years. A vacancy shall be filled by appointment by the Director of Education, subject to confirmation by the State Board of Education and the Board of Education of the City of Los Angeles, but the appointee shall serve only for the balance of the unexpired term. The term of a member who is a member of the Board of Education of the City of Los Angeles shall become vacant upon his ceasing to be a member of the Board of Education of the City of Los Angeles, but the person appointed to succeed him shall be a member of said board of education.

Adoption of
regulations

20674. The State Board of Education shall, before adopting any regulation respecting the curricula of the college, status and qualifications of faculty members, or entrance requirements for students, secure the recommendation of the advisory board. The advisory board shall meet at such times

as it may determine and advise and consult with the president of the college with respect to the curricula, improvement, and development of the college.

20675. The Director of Education and the Board of Education of the City of Los Angeles are directed to enter into an agreement for the use of physical facilities at the Los Angeles Junior College, also known as Los Angeles City College, necessary for the conduct and maintenance at the Los Angeles State College of Applied Arts and Sciences of courses of instruction. In order to insure desirable integration and continuity of administration and educational program between said state college and said Los Angeles Junior College located on the same site, the Director of Education and the Board of Education of the City of Los Angeles are directed to enter into an agreement for the joint use of such services, faculty, and administrative officers (including the president) as may be mutually agreed upon. The Director of Education, subject to the approval of the State Board of Education, and of the advisory board, shall appoint a president for said college.

Agreements
for use of
facilities,
etc., with
Los Angeles
Junior
College

20676 Sections 20673, 20674, and 20675 shall remain in effect only until the Los Angeles State College of Applied Arts and Sciences is removed, and such action is hereby authorized, by the State from the site of the Los Angeles Junior College, also known as the Los Angeles City College, and is housed on a campus or other quarters provided for it by the State.

Effect

All agreements between the Director of Education and Board of Education of the City of Los Angeles entered into pursuant to Section 20675 and in effect on the date said section ceases to be effective shall terminate and be of no further force and effect from and after said date, except that all amounts owed by either party to the other under any of said agreements as of the date said agreements are terminated hereunder shall be paid by the party owing such amounts.

Termination
of agree-
ments

20677. The provisions of Chapter 2 of this division and all other laws relating to state colleges are applicable to the Los Angeles State College of Applied Arts and Sciences insofar as said laws are not inconsistent with this article.

Law
applicable

SEC. 3. Chapter 3.3 is added to Division 10 of said code, to read:

CHAPTER 3.3. SACRAMENTO STATE COLLEGE

Article 1. Establishment

20681. There is in the County of Sacramento and within five miles of the State Capitol the Sacramento State College.

Sacramento
State College

20682. The provisions of Chapter 2 of this division and all other laws relating to state colleges are applicable to the Sacramento State College.

Law
applicable

SEC. 4. The following acts and parts of acts, together with all acts amendatory thereof and supplemental thereto, are repealed:

Repeals

Year	Chapter
1949	4
1949	86
1949	406

CHAPTER 73

An act to codify Section 3 of Chapter 1175 of the Statutes of 1953, relating to the removal of improvements from real property, by amending Section 1013.5 of the Civil Code, and repealing Section 3 of Chapter 1175 of the Statutes of 1953.

In effect
September
7, 1955

[Approved by Governor April 1, 1955. Filed with
Secretary of State April 1, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1013.5 of the Civil Code is amended to read:

1013.5. (a) When any person, acting in good faith and erroneously believing because of a mistake either of law or fact that he has a right to do so, affixes improvements to the land of another, such person, or his successor in interest, shall have the right to remove such improvements upon payment, as their interests shall appear, to the owner of the land, and any other person having any interest therein who acquired such interest for value after the commencement of the work of improvement and in reliance thereon, of all their damages proximately resulting from the affixing and removal of such improvements.

(b) In any action brought to enforce such right the owner of the land and encumbrancers of record shall be named as defendants, a notice of pendency of action shall be recorded before trial, and the owner of the land shall recover his costs of suit and a reasonable attorney's fee to be fixed by the court.

(c) If it appears to the court that the total amount of damages cannot readily be ascertained prior to the removal of the improvements, or that it is otherwise in the interests of justice, the court may order an interlocutory judgment authorizing the removal of the improvements upon condition precedent that the plaintiff pay into court the estimated total damages, as found by the court or as stipulated.

(d) If the court finds that the holder of any lien upon the property acquired his lien in good faith and for value after the commencement of the work of improvement and in reliance thereon, or that as a result of the making or affixing of the improvements there is any lien against the property under Article XX, Section 15, of the Constitution of this State, judgment authorizing removal, final or interlocutory, shall not be given unless the holder of each such lien shall

have consented to the removal of the improvements. Such consent shall be in writing and shall be filed with the court.

(e) The right created by this section is a right to remove improvements from land which may be exercised at the option of one who, acting in good faith and erroneously believing because of a mistake either of law or fact that he has a right to do so, affixes such improvements to the land of another. This section shall not be construed to affect or qualify the law as it existed prior to the 1953 amendment of this section with regard to the circumstances under which a court of equity will refuse to compel removal of an encroachment.

SEC. 2. Section 3 of Chapter 1175 of the Statutes of 1953 is repealed.

CHAPTER 74

An act to amend Section 709 of the Vehicle Code, relating to size, weight and loading of vehicles.

[Approved by Governor April 4, 1955. Filed with
Secretary of State April 4, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 709 of the Vehicle Code is amended to read:

709. Officers May Inspect, Weigh and Measure Vehicles and Require Removal of Excess or Unsafe Loads. (a) Any traffic officer having reason to believe that a vehicle is not safely loaded or that the height, width, length or weight of a vehicle and load is unlawful is authorized to require the driver to stop and submit to an inspection, measurement or weighing of the same. The weighing may be done either by means of portable or stationary scales and such officer may require that such vehicle be driven to the nearest scale facility, in the event such scales are within five miles.

(b) Whenever a traffic officer upon inspecting, measuring or weighing a vehicle and load as above provided determines that the vehicle is not safely loaded or that the height, width, length or weight is unlawful, such officer may require the driver to stop in a suitable place and reload or remove such portion of the load as may be necessary to render the load safe or to reduce the said load to those limits permitted under this code. All material so unloaded shall be cared for by the owner or operator of such vehicle at the risk of such owner or operator.

(c) Any driver of a vehicle who fails or refuses to stop and submit the vehicle and load to an inspection, measurement or weighing, or who fails or refuses to comply with the directions of a traffic officer under the conditions set forth in this section, is guilty of a misdemeanor.

CHAPTER 75

An act to amend Sections 512, 512.2 and 516 of the Vehicle Code, relating to speed of vehicles and speed restrictions on highways, bridges or structures.

In effect
September
7 1955

[Approved by Governor April 4, 1955. Filed with
Secretary of State April 4, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 512 of the Vehicle Code is amended to read:

Speed
limits
Construction
zone

512. Speed Limit on Highways Where Persons Are at Work. It shall be prima facie a violation of the basic rule declared in Section 510 of this code for any person to operate a vehicle at a speed greater than 25 miles per hour upon any portion of a highway where officers or employees of the agency having jurisdiction of the same, or any contractor of such agency or his employees, are at work on the roadway or within the right of way so close thereto as to be endangered by passing traffic. The provisions of this section shall apply only when appropriate signs, indicating the limits of the restricted zone, and the speed limit applicable therein, are placed by such agency within 400 feet of each end of such zone. Such signs shall display the figures "25" as provided in Section 468 and shall indicate the purpose of the speed restriction, but otherwise need not comply with the details set forth in Section 468. Nothing in this section shall be deemed to relieve any operator of a vehicle from complying with the provisions of Section 510.

SEC. 2. Section 512.2 of said code is amended to read:

Snow
conditions

512.2. Speed Restrictions Because of Snow Conditions. Whenever the State Department of Public Works in respect to state highways or a local authority with respect to highways under its jurisdiction finds that, by reason of snow or ice conditions, a speed in excess of 25 miles per hour is more than is reasonable and safe upon a highway or any portion thereof, the department or local authority, as the case may be, may erect appropriate signs in such highway or portion thereof indicating a speed limit of 25 miles per hour. Such signs may be placed and removed as snow or ice conditions vary. When such signs are in place, the prima facie speed limit on any portion of such highway so signposted shall be 25 miles per hour and the burden of proving that a speed in excess of 25 miles per hour is not in violation of Section 510 shall be on the driver.

SEC. 3. Section 516 of said code is amended to read:

Bridges and
structures

516. Speed on Bridges and Structures. (a) No person shall drive a vehicle over any bridge or other elevated structure constituting a part of a highway at a speed which is greater than the maximum speed which can be maintained with safety to such bridge or other elevated structure.

(b) The State Department of Public Works may, in the manner hereinafter provided, determine the maximum speed, not less than five miles per hour, which can be maintained with safety to any bridge or other elevated structure on a state highway. Said department may also make such determination with reference to any other street or highway upon receiving a request therefor from the board of supervisors or road commissioner of the county, the governing body of the city, or other agency or person, having jurisdiction over such bridge or other elevated structure.

(c) Any local authority may, in the manner hereinafter provided, determine the maximum speed, not less than five miles per hour, which can be maintained with safety to any bridge or other elevated structure under its jurisdiction, or may request the State Department of Public Works to make such determination.

(d) The Department of Public Works or local authority making a determination of the maximum safe speed upon a bridge or elevated structure shall first make an engineering investigation and shall hold a public hearing

Notice of the time and place of said public hearing shall be posted upon such bridge or elevated structure at least five days before the date fixed for such hearing. Upon the basis of said investigation and all evidence presented at said hearing, said department or local authority shall determine by order in writing the maximum speed which can be maintained with safety to such bridge or other elevated structure. Thereupon, the authority having jurisdiction over such bridge or other structure shall erect and maintain suitable signs specifying the maximum speed so determined at a distance of not more than 500 feet from each end of such bridge or other elevated structure or any approach thereto.

(e) Upon the trial of any person charged with a violation of this section, proof of said determination of the maximum speed by said department or local authority and the existence of said signs shall constitute prima facie evidence of the maximum speed which can be maintained with safety to such bridge or other elevated structure.

(f) All of the provisions of this section shall likewise apply with respect to the maximum speed within any tube or tunnel constituting a part of a highway

CHAPTER 76

An act to codify Chapter 360 of the Statutes of 1935, Section 5 of Chapter 13 of the Statutes of the First Extra Session of 1947, and Chapter 1737 of the Statutes of 1953, relating to public streets and highways and all appurtenances thereto, by repealing Sections 180 and 181 and Article 4 of Chapter 4 of Division 1 of the Streets and Highways Code, amending Section 512 of said code, adding Sections 180 and 181 and Article 4 of Chapter 4 of Division 1 and Article 3

of Chapter 2 of Division 17 to said code, and repealing Chapter 360 of the Statutes of 1935, Section 5 of Chapter 13 of the Statutes of the First Extra Session of 1947, and Chapter 1737 (except Section 8 thereof) of the Statutes of 1953.

In effect
September
7, 1955

[Approved by Governor April 4, 1955. Filed with
Secretary of State April 4, 1955.]

The people of the State of California do enact as follows:

Repeal SECTION 1. Section 180 of the Streets and Highways Code is repealed.

SEC. 2. Section 180 is added to said code, to read:

State
Highway
General Fund

180. The State Highway General Fund in the State Treasury is continued in existence. Any moneys contributed by any county, city, public corporation, district or person may be placed by the commission in the State Highway General Fund or in the State Highway Fund, and shall be expended for the purpose for which contributed. In case the entire sum contributed is not necessary for such purpose, the balance unused shall be returned to the contributor and may be withdrawn in the manner provided by law upon demands made by the Division of Highways.

Repeal SEC. 3. Section 181 of said code is repealed.

SEC. 4. Section 181 is added to said code, to read:

Expenditure
of federal
funds

181. Any money placed in the State Highway General Fund may be withdrawn for such highway purposes as the Division of Highways directs, except that moneys received from the Federal Government as reimbursement for advancements made, when not again expended as advancements, shall be expended within the county groups as provided for expenditure of money from the State Highway Fund; and provided further, that as to the expenditure of federal emergency funds allocated primarily for the purpose of relieving unemployment, employees used on any projects so financed shall be obtained from the various counties according to and in proportion to unemployment needs so far as may be practical and only to such extent as will not conflict with any requirement of the Government of the United States.

SEC. 4 5. Section 512 of said code is amended to read:

Route 212

512. Route 212 is from the Nevada-California state line in the southern portion of Pahrump Valley to Route 23, near Freeman. Section 600 is applicable to Route 212.

Repeal SEC. 5. Article 4 of Chapter 4 of Division 1 of said code is repealed.

SEC. 6. Article 4 is added to Chapter 4 of Division 1 of said code, to read:

Article 4. State and Federal Highway Work

Assent to
Federal
Highway Act

820. The State of California assents to the provisions of the Federal Highway Act, as amended and supplemented. All work done under the provisions of said act or other acts of Congress relative to federal aid, or other cooperative highway

work, or to emergency construction of public highways with funds apportioned by the Government of the United States, shall be performed as required under acts of Congress and the rules and regulations promulgated thereunder. Laws of this State inconsistent with such laws, or rules and regulations of the United States, shall not apply to such work, to the extent of such inconsistency. This further re-enactment of this section is for the purpose of bringing the assent of the State of California to the provisions of the applicable federal statutes up to the effective date of this amendment.

820.5. The department may enter into agreements with authorized officials of the United States for the performance of street or highway construction, improvement, or maintenance projects, including the acquisition of necessary rights of way therefor, for military, naval, access and tactical highways, including highways providing access to timber or other natural resources, regardless of whether or not such highways are on the State Highway System. As to any project not on the State Highway System, such agreement must provide for full reimbursement to the department, except for general administrative and administrative engineering expenses.

Agreements
for military,
etc.,
highways

As to any such street or highway, the department and the California Highway Commission are, and each of them is, authorized to do any and all things in connection therewith as may be done with reference to the state highways. The commission may adopt resolutions authorizing condemnation of property necessary for such highways with like effect as it may with reference to state highways. All provisions of this article shall apply to any work done by the department under any such agreement.

If desired by the United States, title to any real property or interest therein acquired by the department in connection with any such street or highway which is not a part of the State Highway System may be transferred to the United States or any agency thereof by a conveyance executed on behalf of the State of California by the Director of Public Works. Such conveyance shall only be made in the event the State has been fully reimbursed for any expenditures made in connection with the acquisition of such property or interest therein. Upon completion of the construction of any such highway which is not a state highway, it shall forthwith be turned over to the United States for maintenance and control, if the United States will accept the same. If the United States will not accept the maintenance and control thereof, such highway shall become a city street or county highway, as the case may be, upon the passage by the commission of a resolution to that effect.

Transfer of
property

The department may enter into like agreements with authorized officials of the United States to furnish other engineering services, such as laboratory services, upon the condition that the State shall be reimbursed in full therefor.

Engineering
services

Project
statement,
plans, etc

821. The department, on behalf of the State, shall submit to the Secretary of Agriculture, or other properly authorized officer of the United States, such project statements as may be required and may agree with the proper officials of the United States as to the kind, quality, and extent of all such work. The department shall file in its office all approved plans, specifications, and estimates.

Depart-
mental
authority

822. The department is authorized to do any and all acts and things with reference to any military or public street or highway in, or to be constructed in, this State necessary to the performance of any such agreement, including but not limited to the construction or improvement of streets, highways or roads which are not a part of the State Highway System.

Agreements
with local
agencies re
highways
constructed
with fed-
eral aid

822.5. Agreements are authorized between the department and any county, or counties, or city, or cities, providing for the acquisition of property for, the construction, improvement and maintenance of any highway, including those not in the State Highway System, and those lying partly within and partly without the boundaries of the State, to be constructed with federal aid. The department may, when authorized by any such written agreement, acquire for the county or city, as the case may be, any real property within the State required for any such highway which is not in the State Highway System.

Appropri-
ation for
cooperative
projects

823. In addition to the purposes for which the moneys in, and to be received in, the State Highway Fund and the State Highway General Fund have been appropriated, all of said moneys, or so much thereof as may be necessary, is hereby appropriated to, and may be expended by the department for, the performance of such street or highway construction or improvement projects as are agreed upon with the properly authorized officers of the United States, including projects on public or military highways in the State of California which are not a part of the State Highway System. As to such projects on streets or highways which are not a part of the State Highway System, such expenditures shall be limited to those items for which the Government of the United States has agreed, and is obligated, to reimburse the State in full, except that the general administrative engineering expense for which the Federal Government will not repay the State is properly chargeable to the general administration of the Division of Highways.

Maintenance
of highways
not part of
system

823.5. The department may maintain any street or highway which is not a part of the State Highway System whenever all of the following facts exist:

(a) The department has performed upon such street or highway a construction or improvement project;

(b) Such project was financed in whole or in part by moneys contributed by the Government of the United States;

(c) The governmental agency having jurisdiction over such street or highway has agreed either with the State of Cali-

fornia, acting by and through the department, or with the United States to maintain such street or highway to the satisfaction of the authorized agents of the United States; and

(d) Such governmental agency has failed to so maintain such street or highway, and the authorized agents of the United States have demanded of the department that such street or highway be maintained in accordance with such agreement.

The department shall carefully segregate all items of cost of such maintenance, including not to exceed 10 percent for overhead and administration. In the event the governmental agency having jurisdiction over such street or highway is a county, or a city and county, the director shall notify the State Controller of the expenditures by the department on such street or highway. The State Controller thereupon shall deduct from the succeeding quarterly apportionments to said county from the Motor Vehicle Fuel Fund the amount certified by the director and shall place said amount in the State Highway Fund.

In the event the governmental agency having jurisdiction over such street or highway is a city, the department shall charge such expenditure against the moneys to be allocated for expenditure in said city under Section 194 of this code.

824. Expenditures made from the State Highway Fund or the State Highway General Fund to the extent to which the United States is obligated by a project agreement to reimburse the State, shall be considered as advancements made by this State for performance on behalf of the United States, and shall not be considered as expenditures of state funds. Such advancements are not subject to any provisions of law relative to allocation of State Highway Fund, or State Highway General Fund moneys. Such advancements must be excluded in making the computations required by Section 11274 of the Government Code and the amount of such advancements made and to be so excluded during any given period of time shall be deemed to be equal to the amount received from the Government of the United States as reimbursement for street or highway projects and deposited in the State Treasury during said period of time.

825 The total of the funds available from the Federal Government and the State for construction or improvement of state highways by the State shall be apportioned between the two county groups in accordance with the provisions of Section 188. Where more projects are available which are eligible for expenditure of federal funds in one county group than in the other, state funds shall be allocated to the county group receiving the lesser expenditure of federal funds to so balance such total expenditures.

826. All moneys received from the Government of the United States as reimbursement for street or highway construction projects shall be deposited in the State Treasury to the credit of the fund from which the advancements were

made. The department shall certify to the State Treasurer the fund in which each payment is required to be deposited, or, if any one payment represents advancements from both the State Highway Fund and the State Highway General Fund, the amount which should be deposited in each.

Contract
specifi-
cations
Forfeiture

827. The department may insert in the specifications for any contract for any project as to which a project agreement has been executed by and between the State and the United States a stipulation that the contractor shall forfeit to the State the sum of ten dollars (\$10) for each calendar day, or portion thereof, for each person who is employed upon the project in violation of the specifications relating to selection of labor, wages, hours, and conditions of employment, and the contractor shall be bound thereby.

Federal
requirements

The department may insert in the specifications for any such contract all special provisions required by the rules and regulations of the properly authorized officers of the United States, regardless of whether or not any such provision tends to increase the cost of the work.

Legislative
intent

828. The provisions of this article and of Sections 180 and 181, as added by the Legislature at its 1955 Regular Session, are not to be considered a change in existing law, but merely a continuation thereof. It is hereby declared to be the intent of the Legislature that the only purpose of repealing and re-enacting these provisions is to validate, as a part of the Streets and Highways Code, the original enactment of the provisions of this article and Sections 180 and 181 by Chapter 360 of the Statutes of 1935 and the subsequent amendments thereto.

SEC. 7. Article 3 is added to Chapter 2 of Division 17 of said code, to read:

Article 3. Benicia-Martinez Ferry

Benicia-
Martinez
Ferry

30700. The department shall maintain and operate the ferry system across the Carquinez Straits between the Cities of Benicia and Martinez acquired by the State pursuant to Chapter 1737 of the Statutes of 1953 as part of the system of state highways. The director shall, by executive order, fix rates of toll from time to time for the use of the ferries, to the end that the ferry system shall be as nearly self-supporting as possible. No other provision of law shall affect the power or duty of the director to fix rates of toll for the use of the ferries, nor the power and duty of the department to collect the tolls so fixed by the director.

Rates

Contracts

The director may, if he concludes it is in the public interest to do so, contract with one or more persons for the operation of the ferry system by them.

Deposit of
proceeds

Payment
of costs

30701. The department shall deposit all money received from the operation of the ferry system in the State Highway Fund. The costs of operation and maintenance of the ferry system, including costs of rehabilitation of the system and the cost of any insurance authorized by Section 30704, shall be paid out of the State Highway Fund from funds available

to said department for the maintenance of state highways. In no event shall the amount expended from the State Highway Fund for such purposes during any one year exceed by more than one hundred thousand dollars (\$100,000) the amount of money received from the operation of the ferry system.

30702. The department may, for the protection of the State, insure the ferry system against all risks in any amount up to the full insurable value thereof, and may insure any liability of the State, its officers and employees, arising out of the operation of the ferry system. Insurance

30703. The department may maintain restaurant facilities or other concessions on the ferry system. Such facilities may be operated directly by the department or may be leased out as concessions. Concessions

30704. The department is authorized to promulgate reasonable rules and regulations governing the use of the ferries. It is unlawful to operate on any such ferries, or on the approaches thereto, a vehicle of a size or weight or at a speed greater than that which such ferry or its approaches, with safety to itself and to the traveling public, will permit. The department shall determine the maximum size, weight, and speed of vehicles which with safety can be permitted on such ferries, or the approaches thereto, and shall by appropriate signs notify the public of its determination. It is prima facie evidence of violation of this section to exceed the limit specified by the department upon such signs. Any damages done to the ferry system or to the approaches thereto may be recovered by the department in a civil action as provided by law in the case of damage to any state highway. Any such damage occurring by reason of failure to comply with the provisions of this section may be recovered by the department and a violation of the limits specified on the signs erected by the department is prima facie evidence of such violation. Rules and regulations
Vehicle size, weight, and speed limits
Civil actions

SEC. 8. Chapter 360 of the Statutes of 1935, Section 5 of Chapter 13 of the First Extra Session of 1947, and Chapter 1737 of the Statutes of 1953 (except Section 8 thereof) are repealed. Repeals

CHAPTER 77

An act to codify Section 2 of Chapter 1276 of the Statutes of 1947, relating to the creation of the Marine Research Committee in the Department of Fish and Game, by adding Section 1015.1 to the Fish and Game Code, and repealing acts and parts of acts specified herein.

[Approved by Governor April 4, 1955. Filed with
Secretary of State April 4, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1015.1 is added to the Fish and Game Code, to read:

1015.1. There is in the Department of Fish and Game the Marine Research Committee, consisting of nine members. Three

members shall be the President of the Fish and Game Commission, the Director of the Department of Fish and Game, and one employee of said department designated by the Fish and Game Commission, who shall be ex officio members and shall have the same rights and powers as other members. Of the other six members, at least five shall be men experienced in and actively engaged in, the canning or reduction of California sardines at the time of their appointment. The six appointed members shall be appointed by the Governor, and shall hold office for two years or until their successors are appointed. The members of the committee shall serve without compensation. They shall be reimbursed from the Fish and Game Preservation Fund for their actual and necessary expenses.

SEC. 2 Section 2 of Chapter 1276 of the Statutes of 1947 is repealed

CHAPTER 78

An act to codify Chapter 1424 of the Statutes of 1953, making an appropriation for support of the Grand National Junior Livestock Exposition, No. 1a District Agricultural Association, by adding Section 19626.6 to the Business and Professions Code, and repealing acts and parts of acts specified herein.

In effect
September
7, 1955

[Approved by Governor April 4, 1955. Filed with
Secretary of State April 4, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 19626.6 is added to the Business and Professions Code, to read:

19626.6. The sum of sixty-five thousand dollars (\$65,000) is hereby appropriated annually from any money in the Fair and Exposition Fund available for permanent improvements on the property of the State, citrus fruit fairs, counties or district agricultural associations for fair purposes, allotted by Section 19626 of this code, for support of the Grand National Junior Livestock Exposition, No. 1a District Agricultural Association.

SEC. 2. Chapter 1424 of the Statutes of 1953 is repealed.

CHAPTER 79

An act to add Section 281.5 to the Agricultural Code, relating to bees and bee diseases.

In effect
September
7, 1955

[Approved by Governor April 4, 1955. Filed with
Secretary of State April 4, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 281.5 is added to the Agricultural Code, to read:

281.5. The director may, by written permit subject to such conditions as he may determine are necessary to protect the apicultural industry of this State, authorize federal and state research agencies to transport and maintain within the State diseased bees or diseased hives for the purpose of studying methods of eradicating and controlling bee diseases.

CHAPTER 80

An act to amend Section 14071 of the Education Code, relating to granting of leaves to school district employees.

[Approved by Governor April 4, 1955. Filed with
Secretary of State April 4, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 14071 of the Education Code is amended to read:

14071. The governing board of any school district may grant leaves of absence to employees in positions not requiring certification qualifications, in the same manner as is provided in Sections 13672, 13841, 13841.1, and 13841.3 for certificated employees and may grant vacation with pay to employees in positions not requiring certification qualifications.

CHAPTER 81

An act to amend Section 1293 of the Fish and Game Code, relating to depredations by game mammals.

[Approved by Governor April 5, 1955. Filed with
Secretary of State April 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1293 of the Fish and Game Code is amended to read:

1293. Any owner or tenant of land or property that is being damaged or destroyed or is in danger of being damaged or destroyed by deer, elk, bear or beaver, may apply to the department for a permit to kill such mammals. The department, upon satisfactory evidence of such damage or destruction, actual or threatened, shall issue a revocable permit for the taking of such mammals under regulations promulgated by the commission. Mammals so taken shall not be sold, nor shipped from the premises on which they are taken, except under instructions from the department. It shall be unlawful for any person to violate the terms of any permit issued under the provisions of this section.

CHAPTER 82

An act to repeal Section 168 of the Fish and Game Code, relating to game refuges and abolishing Silver Lake Game Refuge in El Dorado County.

In effect
September
7, 1955

[Approved by Governor April 5, 1955. Filed with
Secretary of State April 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 168 of the Fish and Game Code is repealed.

CHAPTER 83

An act to codify Chapter 1195 of the Statutes of 1947, relating to veterans' farm and home purchases, and making an appropriation, by adding Section 987.12 to the Military and Veterans Code, and repealing acts and parts of acts specified herein.

In effect
September
7, 1955

[Approved by Governor April 5, 1955. Filed with
Secretary of State April 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 987.12 is added to the Military and Veterans Code, to read:

987.12. For the purposes of carrying out the Veterans' Farm and Home Purchase Act of 1943 the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this article, and the amount necessary to carry out this section is hereby appropriated. Any amounts withdrawn shall be deposited in the Veterans' Farm and Home Building Fund of 1943. Any moneys made available under this section to the department shall be returned to the General Fund in such amounts as may be received by the department from the sale of bonds sold for the purpose of carrying out this article, together with interest at the rate of interest fixed in the bonds so sold.

SEC. 2. Chapter 1195 of the Statutes of 1947 is repealed.

CHAPTER 84

An act to codify certain statutes, relating to the organization, operation, and maintenance of a system of state and local government by adding Sections 111, 112, 1028.2, and 12523 to, and Article 3 to Chapter 2, Part 5, Division 3, Title 2 of, Article 2 and a new article heading to Chapter 2, Part 6,

Division 3, Title 2 of, and Article 1.5 to Chapter 9, Title 8 of, the Government Code, and repealing acts and parts of acts specified herein.

[Approved by Governor April 5, 1955. Filed with Secretary of State April 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 111 is added to the Government Code, to read:

111. The jurisdiction of the State over certain lands designated in the following statutes is subject to the cession of jurisdiction granted the United States by such statutes: State jurisdiction

(a) Statutes of 1854, Chapter 43, concerning Mare Island.
(b) Statutes of 1859, Chapter 305, concerning Lime Point Bluff.

(c) Statutes of 1861, Chapter 255, concerning land in the Counties of Marin, Mendocino, Humboldt, and Klamath.

(d) Statutes of 1867-8, Chapter 76, concerning the site of the United States Mint in San Francisco.

(e) Statutes of 1891, Chapter 106, concerning certain park and forest reservations.

(f) Statutes of 1906 (Extraordinary Session), Chapter 58, concerning land in San Diego County.

(g) Statutes of 1911, Chapter 675, concerning land in Riverside County.

(h) Statutes of 1919, Chapter 51, concerning Yosemite National Park, Sequoia National Park, and General Grant National Park.

(i) Statutes of 1927, Chapter 207, concerning Lassen Volcanic National Park.

(j) Statutes of 1933, Chapter 845, concerning land in Lassen County.

(k) Statutes of 1935, Chapter 328, concerning land particularly described therein.

(l) Statutes of 1935, Chapter 340, concerning land in Solano County, adjacent to Benicia Arsenal Reservation.

(m) Statutes of 1935, Chapter 580, concerning Benicia Arsenal Reservation, and adjacent land.

(n) Statutes of 1941, Chapter 308, concerning an easement for lighthouse purposes in Ventura County.

(o) Statutes of 1942 (Second Extraordinary Session), Chapter 3, concerning Treasure Island in San Francisco Bay.

SEC. 2. Section 112 is added to said code, to read:

112. The State has accepted the retrocession of jurisdiction over certain lands by the following statutes: Same

(a) Statutes of 1935, Chapter 828, concerning the Presidio in the City and County of San Francisco and Fort Baker in Marin County.

(b) Statutes of 1941, Chapter 226, concerning the Presidio in the City and County of San Francisco.

SEC. 3. Section 1028.2 is added to said code, to read :

School
district
employees

1028.2. Sections 1027.5, 1028.1, and 1028, added by Chapter 1418 of the Statutes of 1947, are not applicable to school district employees. It is the intent of the Legislature that the Education Code shall apply to such employees.

SEC. 4. Section 12523 is added to the Government Code, to read :

Indians

12523. The Attorney General may appear for and represent the Indians of the State of California before the Indian Claims Commission created by an act of Congress approved August 13, 1946 (Public Law 726).

SEC. 5. Article 3 is added to Chapter 2, Part 5, Division 3, Title 2 of said code, to read :

Article 3. Contracts for Services With the United States

Services for
Federal
Government

14150. When requested in writing by the Bureau of Public Roads, the Maritime Commission, the Army, the Air Force, or the Navy, the Department of Public Works and each division thereof may perform any engineering, architectural, construction, maintenance, or mechanical work for or on behalf of the United States if such work is to be completely financed by federal funds, except for general administrative expense.

Agreements

The department may enter into agreements with the authorized officials of the United States for the performance of any such work.

Any agreement providing for such work to be done by the Division of Architecture or Division of Water Resources shall be subject to the approval of the Department of Finance.

Architectural
or construction
work

14151. Any architectural or construction work on buildings shall be limited to projects on property owned or controlled by the State.

Performance

14152. In the performance of any such federally financed work the department may adopt any procedure as to the letting of contracts for, the conduct of, or the payment for, the work, that is requested by the authorized agents of the federal agencies designated in Section 14150, or required by federal laws, rules, or regulations. In the absence of any such requirement or request, such work shall be performed pursuant to the laws of this State.

Highways

14153. As to such work to be performed by the Division of Highways, the department and the California Highway Commission may do any and all things in connection therewith as may be done in connection with state highways and may acquire therefor, pursuant to state law, any necessary real or personal property, or interest therein.

Appropriation

14154. In addition to the purposes for which money is appropriated to the department or any division thereof, all of such money or so much thereof as may be necessary, is hereby appropriated and may be expended by the department for the performance of such work. Such expenditures shall be limited to those items for which the Government of the United

States has agreed to reimburse the State in full, except for general administrative expenses which shall be chargeable to the funds appropriated for the support or administration of the division doing the work. Such expenditures, to the extent to which the United States is obligated to reimburse the State, shall be considered as temporary advancements for the performance of such work and shall not be considered as expenditures of state funds. Such expenditures shall be excluded in making the computations required by Article 2, Chapter 3, Part 1, Division 3 of this title. Money received from the Government of the United States as reimbursements for such expenditures shall be deposited in the State Treasury to the credit of the fund from which the advancements were made.

SEC. 6. An article heading is added to Chapter 2, Part 6, Division 3, Title 2 of the Government Code, immediately preceding Section 15100, to read:

Article 1. General

SEC. 7. Article 2 is added to Chapter 2, Part 6, Division 3, Title 2 of said code, to read:

Article 2. Leases of Teletype Facilities and Equipment

15130. The Attorney General may arrange for the connection of the State Teletype System with that of any adjacent state.

State
Teletype
System
Connections

15131. The Attorney General shall lease facilities and equipment to connect the State Teletype System with points to be selected by him in the Counties of Alameda, Butte, Contra Costa, Fresno, Humboldt, Imperial, Kern, Los Angeles, Madera, Marin, Merced, Monterey, Napa, Nevada, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Siskiyou, Solano, Sonoma, Stanislaus, Tehama, Tulare, Ventura, and Yuba and in the City and County of San Francisco.

Lease of
facilities, and
equipment

15132. The Attorney General shall lease facilities and equipment to connect the State Teletype System with each of the Counties of Amador, Calaveras, Contra Costa, El Dorado, Glenn, Inyo, Kings, Mendocino, Modoc, Placer, San Benito, Trinity, Tuolumne, and Yolo.

15133. The Attorney General shall lease facilities and equipment to connect the State Teletype System with the sheriff's office in the counties of:

- (a) Alpine.
- (b) Del Norte.
- (c) Lake.
- (d) Lassen.
- (e) Nevada.
- (f) Plumas.
- (g) Sierra.

15134. The Attorney General shall lease facilities and equipment to connect the State Teletype System with sheriff's office substations at:

- (a) Monterey, in Monterey County.
- (b) Needles and Barstow, in San Bernardino County.
- (c) Indio and Blythe in Riverside County.

15135. The Attorney General shall lease facilities and equipment to connect the State Teletype System with the police department of each of the following cities:

- (a) San Leandro.
- (b) San Mateo.
- (c) Escondido.
- (d) Coronado.
- (e) Portola.
- (f) Watsonville.
- (g) Brawley.
- (h) Tulare.
- (i) Long Beach.
- (j) Palo Alto.
- (k) Bakersfield.

15136. The Attorney General shall lease facilities and equipment to connect the State Teletype System with the police department of each of the following cities:

- (a) Paso Robles.
- (b) Bishop.
- (c) Santa Maria.
- (d) Oceanside.
- (e) Alameda.
- (f) San Jose.

SEC. 8. Article 1.5 is added to Chapter 9, Title 8 of the Government Code, to read:

Article 1.5. Los Angeles County Municipal Court Judges Law

Short title

72620. This article may be cited as the Los Angeles County Municipal Court Judges Law.

Official body
of munic-
ipal court
judges in
Los Angeles
County

72621. Under such organization, rules, and procedure as the judges of the municipal courts established in Los Angeles County may adopt therefor, all of such judges in such county shall constitute an aggregate official body for their consideration and action in matters of judicial business and in matters connected with judicial administration deemed of common interest by such judges, and, for the discharge of any functions devolving collectively upon them by law, including, but not limited to, the adoption of bail schedules, the selection of law library trustees, the appointment, removal, and supervision of the Marshal of Municipal Courts, Los Angeles County, and selection of bailiffs to serve in such courts

72622. By majority vote, the judges constituting such official body may adopt rules or by-laws for conducting the affairs and proceedings of such body, including provision for

officers and committees, and defining their composition, qualification, powers, and duties.

SEC. 9. The following statutes and parts of statutes are repealed:

Statute	Chapter
1941 -----	823
1943 -----	1063
1945 -----	1436
1945 -----	1445
1947 -----	46
1947 -----	1200
1947 -----	1251
1947 -----	1323
1947 -----	1324
1949 -----	1365
1950 (3d Ex. Sess.) -----	29, Secs. 1 and 4
1953 -----	1165
1953 -----	1646, Sec. 4 only
1953 -----	1669
1953 -----	1671
1953 -----	1674

CHAPTER 85

An act to amend Section 17702 of the Health and Safety Code, relating to housing.

[Approved by Governor April 5, 1955 Filed with
Secretary of State April 5, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 17702 of the Health and Safety Code is amended to read:

17702. It is unlawful for any person to use, or to permit another person to use, any of the following portions of a building for sleeping purposes:

(a) Any kitchen, cellar, hallway, watercloset, bath, shower compartment, or slop-sink room.

(b) Any other room or place which does not comply with the provisions of this part, or in which, in the judgment of the enforcement agency, sleeping is dangerous or prejudicial to life or health by reason of an overerowed condition; a want of light, windows, ventilation, or drainage; dampness; or offensive, obnoxious, or poisonous odors in the room or place.

No provision of this part shall be construed to prohibit the installation or construction in a room used for sleeping purposes in an apartment house of an approved cabinet unit built entirely of incombustible and nonabsorbent material, which unit shall contain an electric cooking appliance and a kitchen sink and may or may not include a refrigerator. The sink shall be an integral part of the cabinet, connected to the plumbing

system, and provided with hot and cold running water. Any city, city and county, or county may enact an ordinance to regulate or prohibit the installation, maintenance or use of such cabinet unit in any room other than a kitchen.

CHAPTER 86

An act to amend Section 30603 of the Streets and Highways Code, relating to the San Francisco-Oakland Bay Bridge.

In effect
September
7, 1955

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 30603 of the Streets and Highways Code is amended to read:

30603. The department may cause the toll bridge and structures on approaches to be insured against all risks to such extent as it deems necessary, and shall provide such insurance as may be required by any bond indenture applicable to the toll bridges. The proceeds of such insurance shall be applied to the restoration of the toll bridge and structures on approaches to the same good order, repair, and condition as they were in prior to the damage, insofar as possible.

CHAPTER 87

An act to amend Section 207 of the Streets and Highways Code, relating to the investment of state funds.

In effect
September
7, 1955

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 207 of the Streets and Highways Code is amended to read:

207. The California Highway Commission may by resolution provide a plan under which the department may invest presently unneeded money in the State Highway Fund in bonds or interest bearing notes or obligations of the United States for which the faith and credit of the United States are pledged, for the payment of principal and interest. The department may, with the approval of the State Treasurer and of the Director of Finance, invest such excess funds in accordance with said resolution. All such bonds, notes or obligations purchased under the provisions of this section must be delivered to the State Treasurer, who shall keep them as a portion of the State Highway Fund, and all interest thereon when collected shall be paid into and become a part of the State Highway Fund.

All investments under this section shall be liquidated as soon as the funds invested are required for State Highway purposes.

CHAPTER 88

An act to amend Section 101.1 of the Streets and Highways Code, relating to signs at cities and towns.

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 101.1 of the Streets and Highways Code is amended to read:

101.1. (a) The department shall place and maintain or cause to be placed and maintained on all state highways at the city limit of each incorporated city and at the limits of each unincorporated town as determined by the department a uniform road sign which shall set forth the name of the city or town, its population, and its altitude, as determined by the department. Where the limits of such a city or town intersect a state highway at more than two points, then the department, in its discretion, need erect such signs only at each of the two outermost points on the state highway where such intersection occurs.

(b) The department shall adopt specifications to provide for uniform signs of permanent character setting forth the information required in subdivision (a).

CHAPTER 89

An act to amend Section 51681 of the Water Code, relating to reclamation districts.

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 51681 of the Water Code is amended to read:

51681. Parcels purchased at delinquent sale by the county treasurer as trustee for the district shall be offered for sale within three years from the expiration of the redemption period, or before October 1, 1951, whichever period is greater, in parcels of such number of acres as the board may determine will be most desirable for purposes of assuring the sale thereof.

However, such parcels may be retained by the county treasurer as trustee for the district beyond such time so long as the

district annually, with respect to such parcels, pays to the county in which such parcels are situated an amount equivalent to taxes levied by such county on similar parcels similarly situated in the county in the same manner as provided in the Revenue and Taxation Code for secured property tax payments.

CHAPTER 90

An act to amend Section 9102 of the Government Code, relating to legislative offices, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 9102 of the Government Code is amended to read:

9102. The Senator having the management and control of the legislative office located in Los Angeles shall have the authority to employ one person in such office who shall hold a confidential position to him, and one other employee to be appointed by the Senate as provided for in subdivision (a) (4) of Section 4, Article XXIV of the California Constitution and to fix their compensation at the grade and in the manner hereinafter provided with respect to employees in other legislative offices. The Senator having the management and control of each other legislative office shall have the authority to employ in such office one person holding a confidential position to such Senator, and to fix the compensation of such person at a grade not less than that of secretary-stenographer in civil service, subject to the provisions of Section 18004. There shall be no other employees.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Due to the large and rapidly increasing population of Los Angeles, and the consequent increase in the demands of the public for information and service on legislative matters, the existing facilities of the Los Angeles office are inadequate. In order to protect the right of the citizens of that area to petition this government and make their views known on pending legislation and protect the public peace, health or safety, it is necessary that this act take effect immediately.

CHAPTER 91

An act to repeal Part 2 of, and to add Part 2 and Part 2.1 to, Division 13 of the Health and Safety Code, relating to auto courts and resorts and auto and trailer parks, declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Part 2 of Division 13 of the Health and Safety Code is repealed.

SEC. 2. Part 2 is added to Division 13 of said code, to read:

PART 2. AUTO AND TRAILER PARKS

CHAPTER 1. DEFINITIONS AND SCOPE

18000. The provisions of this part insofar as they are substantially the same as existing statutory provisions relating to the same subject matter shall be construed as restatements and continuations, and not as new enactments.

18001. "Trailer coach," as used in this part, means any camp car, trailer or other vehicle, with or without motive power, designed and constructed to travel on the public thoroughfares at the maximum allowable speed limit and in accordance with the provisions of the Vehicle Code, and designed or used for human habitation.

(a) A dependent trailer coach is one not equipped with a toilet for sewage disposal.

(b) An independent trailer coach is one equipped with a toilet for sewage disposal.

18002. "Auto and trailer park," as used in this part, means any area or tract of land where space is rented or held out for rent to two or more owners or users of trailer coaches or tent campers furnishing their own camping equipment, or where free camping is permitted owners or users of trailer coaches or tent camping equipment for the purpose of securing their trade.

18003. Whenever the phrase "auto and trailer camp" is used in this part, it shall mean "auto and trailer park."

18004. "Camp site," as used in this part, means any portion of an auto and trailer camp designed for the use or occupancy of one trailer coach or camping party.

18005. "Approved" when used in connection with any material, appliance or construction, means meeting the requirements and approval of the Division of Housing of the Department of Industrial Relations of the State of California.

18006. "Building," as used in this part, means a tent, tenthouse, single and multifamily dwelling, public toilets, public baths and laundry rooms or other structures and a

compartment containing a toilet or bath, or both, constructed for the exclusive use of an occupant of a camp site.

"Liquefied petroleum gas"

18007. "Liquefied petroleum gas" means petroleum hydrocarbons or mixtures thereof, in liquid or gaseous state, having a vapor pressure in excess of 26 psi at a temperature of 100 degrees F. Whenever the symbol "LPG" is used it shall mean liquefied petroleum gas.

"Nuisance"

18008. In an auto and trailer camp, "nuisance" includes any of the following:

(a) Any public nuisance known at common law or in equity jurisprudence.

(b) Whatever is dangerous to human life or is detrimental to health.

(c) The overcrowding of any room with occupants.

(d) Insufficient ventilation or illumination of any room.

(e) Inadequate or insanitary sewage or plumbing facilities.

(f) Whatever renders air, food, or drink unwholesome, or detrimental to the health of human beings.

Application

18009. The provisions of this part relating to auto and trailer camps apply to all parts of the State except within cities, counties, and cities and counties that have enacted and are enforcing local ordinances regulating auto and trailer camps and such ordinances prescribe minimum standards equal to or greater than the provisions of this part relating to auto and trailer camps. The provisions of this part shall not prevent local authorities of any city, county, or city and county, within the reasonable exercise of the police power, from prohibiting auto and trailer camps within such city, county, or city and county, or from adopting rules and regulations, by ordinance or resolution, prescribing higher standards of sanitation, health and safety for auto and trailer camps and requiring a local health permit to maintain and conduct any such auto and trailer camp within such city, county, or city and county.

Local authorities

CHAPTER 2. ENFORCEMENT, ACTIONS AND PROCEEDINGS

Enforcement

18100. The California Highway Patrol shall enforce the provisions of Section 18254. The Division of Housing in the Department of Industrial Relations shall enforce every other provision of this part; provided, however, that the health officer of the county or of the city in which an auto and trailer park is situated may enforce the provisions of Articles 5, 6, and 7 of Chapter 4 of this part.

The officers or agents of the division, or the county health officer, or a city health officer may:

(a) Enter public or private property to determine whether there exists any auto camp or trailer camp to which this part applies.

(b) Enter and inspect all auto camps or trailer camps, wherever situated, and inspect all accommodations, equipment or paraphernalia used in connection therewith, including the right to examine any registers of occupants maintained therein

in order to secure the enforcement of the provisions of this part.

18101. The owner or operator of an auto and trailer camp shall abate any nuisance in the camp within five days, or within such longer period of time as may be allowed by the Division of Housing, after he has been given written notice by the division to remove the nuisance. If he fails to do so within that time, the district attorney of the county in which the camp, or the greater portion of the camp, is situated shall bring a civil action to abate the nuisance in the superior court of the county in the name of the people of the State of California.

Abatement
of nuisance

18102. In any action or proceeding to abate a nuisance in an auto and trailer camp, proof of the following facts is sufficient for a judgment or order for the abatement of the operation of the auto and trailer camp:

Facts
required

(a) Previous conviction of the owner or operator of the auto and trailer camp of a violation of this part which constitutes a nuisance.

(b) Failure on the part of the owner or operator to correct the violation after the conviction.

(c) The violation is the basis for the proceeding.

18103. For the purpose of securing the enforcement of this part the officers or agents of the Division of Housing shall have the authority of peace officers, including authority to make arrests, to serve any process or notice throughout the State, and generally such other authority of peace officers as may be necessary in order to secure enforcement of this part.

Authority
of officers

CHAPTER 3. PERMITS AND FEES

18200. It is unlawful for any person to do any of the following unless he first makes application in writing to the Division of Housing and obtains a permit therefor:

Permit
necessary

(a) Construct an auto and trailer camp.

(b) Construct additional buildings or reconstruct or move existing buildings in an existing auto and trailer camp.

(c) Operate, or rent, lease, sublease, let, or hire out for occupancy any space in an auto and trailer camp that has been constructed, reconstructed, or altered or moved without having obtained a permit as required herein.

(d) Operate an auto and trailer park for which a fee of twenty-five dollars (\$25) has never been paid either to construct or operate.

18201. In the case of a new auto and trailer camp, or a new combination auto court and resort and auto and trailer camp, the application shall be accompanied by:

Contents of
application

(a) A description of the grounds upon which the auto court and resort or auto and trailer camp is to be constructed.

(b) Plans and specifications of the proposed construction.

(c) A description of the water supply, ground drainage, and method of sewage disposal.

(d) A fee of twenty-five dollars (\$25), except that the fee shall be waived when the new auto court and resort or new auto and trailer camp is to be operated as a combination auto court and resort and auto and trailer camp with an auto court and resort or trailer camp for which a fee has been paid and a permit issued.

Same 18202. In the case of an existing auto and trailer camp, the application shall be accompanied by:

(a) A description of the grounds upon which buildings are to be added or reconstructed, or to which buildings are to be moved, or which is to be used for camping purposes.

(b) Plans and specifications of the proposed addition, reconstruction or movement.

(c) A description of the water supply, ground drainage, and method of sewage disposal.

(d) In an auto and trailer park a fee of two dollars (\$2) for each additional camp site; provided, however, that no fee greater than twenty-five dollars (\$25) shall be required.

Inspection 18203. Within 10 days after the application, descriptions, plans and specifications, and required fee, if any, are filed and paid, an inspector of the Division of Housing shall inspect the grounds upon which the applicant proposes to do the work for which he seeks a permit. The division shall issue a written permit to the applicant if, in its opinion:

(a) The grounds are satisfactory for the work proposed.

(b) The descriptions and plans and specifications filed indicate that the work proposed will meet the requirements of this part.

Changes 18204. The Division of Housing shall be notified by the new owner or operator of any auto and trailer camp of any change in the name or the ownership or possession thereof. Said notice shall be in written form and shall be furnished within 30 days from and after any such change in name or transfer of ownership or possession. The notice shall be accompanied by a transfer fee of ten dollars (\$10).

Posting 18205. Permits for construction and operation shall be posted in a conspicuous place.

Expiration 18206. All permits as required in this chapter for construction or reconstruction of an auto and trailer camp shall automatically expire within six months from the date of the issuance thereof in those cases where the construction or reconstruction has not been completed within said period; provided, however, that the Division of Housing may extend expiration date of said permit for a reasonable time.

Violations 18207. In the event that any person holding a permit issued by the Division of Housing under Chapter 3 of Part 2, Division 13 of this code, violates any of the provisions of the said permit or of the said chapter, the permit may be subject to suspension as provided in this chapter.

Notice of violations 18208. The Division of Housing shall issue and serve upon the permittee a notice setting forth in what respect the provisions of the permit and/or this code have been violated, and

shall notify him that unless these provisions have been complied with within 30 days after the date of notice, the permit shall be subject to suspension.

18209. The notice shall be served by posting at least one copy in a conspicuous place on the premises described in the said permit, and by sending another copy by registered mail, postage prepaid, return receipt requested, to the person to whom the permit was issued at the address therein given. Service of notice

18210. If the requirements of the said notice have not been complied with on or before the expiration of 30 days after the mailing and posting of the notice, the Division of Housing may suspend the permit. Penalty

18211. Upon compliance by the permittee with the provisions of this code and of said notice, and submission of proof thereof to the Division of Housing, the division shall reinstate the permit. Reinstatement

CHAPTER 4. REGULATIONS

Article 1. General Provisions

18250. It shall be unlawful for any person in an auto and trailer park to use or cause, or permit to be used for occupancy: Unlawful occupancy

(a) Any trailer coach from which any tire or wheel has been removed therefrom, except for the purpose of making temporary repairs or placing it in dead storage.

(b) Any trailer coach to which are attached any rigid water, gas or sewer pipes; provided, however, that metal tubing not to exceed one-half inch inside diameter may be used for water and gas.

(c) Any trailer coach which is permanently attached with underpinning or foundation to the ground.

(d) Any trailer coach which does not conform to the requirements of the California State Vehicle Code governing the use of trailers on public highways.

(e) Any trailer coach which does not carry a current yearly license issued by any state or foreign state motor vehicle department.

(f) Any trailer coach in an insanitary condition.

(g) Any trailer coach which is structurally unsound and does not protect its habitants against the elements

(h) Any trailer coach to which there is attached or established less than six feet adjacent thereto any awning, portable, demountable, or permanent cabana, building or windbreak, unless constructed in conformity with the rules and regulations of the Division of Housing as set forth in rules and regulations of the said division for such use, and the said division is hereby empowered to draft and enforce such rules and regulations. Such rules and regulations shall provide for the construction of awnings, cabanas, buildings, and windbreaks in a substantial and workmanlike manner and in accordance with recognized standards for such types of structures within auto and trailer parks which are consistent with the health and

safety of the occupants therein and reasonably consistent with the construction standards contained in this part. The provisions of Section 18276 of this code shall not apply to any awning, cabana, building or windbreak regulated by this subdivision.

Local
ordinances

18251. Any city, county, or city and county may enact an ordinance to prohibit the use or occupancy of trailer coaches of the type described in subdivision (h) of Section 18250 or to provide that the provisions of subdivision (h) of Section 18250 shall not apply therein, and that, in lieu thereof, the regulations adopted and enforced by the city, county, or city and county shall apply; provided, such regulations prescribe minimum standards equal to or greater than those prescribed by the Division of Housing. If an ordinance is enacted and such regulations are adopted, the provisions of subdivision (h) of Section 18250 shall not apply within the city, county, or city and county, but the ordinance and regulations shall apply therein. The provisions of Section 18276 of this code shall not be construed as a limitation upon this section.

Construction

Unlawful
rental

18252. It shall be unlawful for any person to rent or hold out for rent any trailer coach in an auto and trailer park which is owned by or in the possession or control of the owner or operator of the auto and trailer park or his agent. The rental paid for any such trailer coach shall also be deemed to be rental for the space it occupies.

Owner's
permission

18253. It is unlawful for any person to use, occupy, or maintain any trailer coach, tent or tenthouse upon any area or tract of land for a period of more than seven days during any one three-month period of time without the written permission of the owner or person legally in charge of the land.

Parking

18254. It is unlawful to camp overnight or to park a trailer coach overnight upon any public highway including the right of way. This provision shall not apply where a trailer coach is parked for the purpose of making emergency repairs

Article 2. Camp Sites

Camp sites
Size

18275. Each camp site in an auto and trailer park shall be not less than 750 square feet in area. The corners of said area shall be clearly and distinctly marked.

Location
of trailer
coach

18276. No trailer coach shall be located closer than six feet from any building or another trailer coach; provided, however, that this does not apply to a compartment containing solely a private toilet or bath, or both, constructed for the exclusive use of an occupant of a camp site, designed for the occupancy of one trailer coach.

18277. Each trailer coach and each building shall not be located closer than three feet from a lot line.

Driveway

18278. Each camp site shall front upon a driveway of not less than 15 feet in width. All driveways shall have clear and unobstructed access to a public thoroughfare.

18279. An auto and trailer camp shall not accommodate any camping parties for whom there are no available camp sites in the camp. When no sites

Article 3. Masonry Construction

18300. Unit masonry walls used in the construction of any walls building in an auto and trailer park shall be constructed as follows:

(a) Bearing walls and bearing partitions shall be not less than eight inches in width.

(b) All masonry units shall be laid up in cement mortar.

(c) Bearing walls shall be so designed and constructed to withstand the vertical live and dead loads placed on them and to withstand a horizontal force from any direction of 15 pounds per square foot of wind pressure on the vertical projection of the exposed surface of the walls.

(d) Walls as described above shall be so designed as to admit of a rational analysis in accordance with established principles of mechanics

Article 4. Plumbing, Use and Sanitation

18325. In every building each plumbing fixture shall be connected to a sanitary drainage system, and shall be provided with a water-sealed trap. Fixtures

18326. The trap shall be separately and effectively vented by means of a connection to vent pipe extending to the outer air above the roof. The vent pipe shall be so installed and maintained that no drainage or sewage from any fixture may be deposited in or conveyed through it. Vent pipes

18327. Plumbing vent pipes installed in any building shall not terminate at a point adjacent to any window or other opening in the building intended or used for ventilation purposes.

18328. Suitable and readily accessible cleanouts shall be placed at convenient points in the plumbing system of every building. Cleanouts

18329. Whenever any plumbing fixture becomes unsanitary, the enforcement agency may require its removal and replacement by a fixture conforming to the provisions of this part. Removal and replacement of fixtures

18330. If it is impracticable to connect the plumbing fixtures affecting the sanitary drainage system with municipal or sanitary district sewer, sewage or waste may be discharged into a cesspool or into a septic tank constructed and maintained to the satisfaction of the enforcement agencies Cesspool or septic tank

18331. No sewage, waste water or any effluent shall be allowed to be deposited on the surface of the ground. Sewage, etc

Article 5. Water Closet, Bathing, and Plumbing Facilities

Water closets

18350. (a) For dependent trailers there shall not be less than one water closet in a separate compartment for each sex for the first 10 trailer sites or fractional part thereof not provided with a private water closet. There shall be one additional water closet for each sex in a separate compartment for every 10 additional trailer sites or fractional part thereof. In no event shall there be less than one toilet for each sex in any auto and trailer court. The enforcement agency, when conditions warrant, may approve the installation and use of other types of toilet facilities. For independent trailers there shall not be less than one water closet for each sex for every 15 trailer sites or fractional part thereof.

Distance

(b) All toilet facilities for dependent trailers shall not be farther than 200 feet from each trailer site. All toilet facilities for independent trailers shall not be farther than 500 feet from each trailer site.

Use

(c) Each toilet shall be for the exclusive use of the occupants of the camp sites in the auto and trailer park.

Width

18351. Every water closet compartment in any building in an auto and trailer park shall be at least 30 inches in clear width.

Toilets

18352. The public toilets shall be maintained readily accessible to all the tenants at all times.

Markings

18353. In every auto and trailer camp water closets for men shall be distinctly marked: "For Men" and water closets for women shall be distinctly marked: "For Women." In addition, the location of water closets shall be plainly indicated by signs.

Flooring

18354. The floor of every water closet compartment shall be constructed and shall be maintained in a waterproof condition by the use of cement, concrete, or other approved waterproof material. The waterproof material shall be applied upward on the interior walls of the water closet compartment, to a height of not less than 12 inches above the floor.

Rules and regulations

18355. It is unlawful for any person to use, or permit the use of, any toilet in any trailer coach located or camped within an auto and trailer camp, unless such toilet meets the requirements of the Division of Housing as set forth in rules and regulations of the said division for such use, and the said division is hereby empowered to draft and enforce such rules and regulations.

Bathing facilities

18356. In every auto and trailer camp, shower baths or other bathing facilities with hot and cold running water shall be installed in separate compartments for every 15, or fractional part of 15, camp sites for each sex. However, in no event shall there be less than one shower for each sex. Every compartment shall be provided with a self-closing door or otherwise equipped with a waterproof draw curtain. All shower baths or other bathing facilities provided herein shall

not be farther than 200 feet from each camp site for dependent trailer, and not farther than 500 feet for independent trailers.

18357. The floor of every shower bath compartment shall be constructed and shall be maintained in a waterproof condition by the use of cement, concrete, or other approved waterproof material. The waterproof material shall be applied upward on the interior walls of the compartment to a height of not less than six feet above the floor. Flooring

18358. Every water closet compartment or compartments containing bathing facilities shall be: Standards

(a) Kept clean.

(b) Kept free from obnoxious odors, flies, mosquitoes, or other insects.

(c) Provided with one or more windows having an aggregate area of not less than six square feet. However, if the room contains more than one water closet, bath, or urinal, the total window area shall be equivalent to three square feet for each water closet, bath, or urinal, but need not exceed one-fourth of the superficial floor area of the room.

(d) Windows shall be screened with not less than 16-mesh metal screen.

18359. There shall be constructed in every trailer camp a laundry compartment with not less than two laundry trays. Laundry compartment

18360. The floors and at least 12 inches on the walls from the ground shall be constructed of approved waterproof masonry composition. Floors and walls

18361. Each laundry compartment shall have window area equal to at least one-eighth of the floor area, and in no case shall it be less than nine square feet. Windows

18362. The laundry trays shall be supplied with hot and cold water. Hot and cold water

18363. In every auto and trailer park there shall be set aside a space convenient to the laundry facilities for the occupants of the camp sites to dry clothes. Drying yard

18364. There shall be not less than one lavatory for each sex installed in every building in an auto and trailer park containing public toilets. Lavatories

18365. All plumbing fixtures in every building in an auto and trailer park which affect its sanitary drainage system shall be installed and maintained as provided in Sections 18325 to 18331, inclusive, of this part. Plumbing fixtures

18366. There shall be in every auto and trailer camp an adequate supply of pure water for all the requirements of the camp. The water shall be obtainable from faucets installed within 100 feet of each part of the camp. Water

18367. No dipping vessels or cups for common use are permissible in any auto and trailer camp. Dipping vessels or cups

18368. Drinking fountains shall be maintained in a sanitary condition, and shall be of a type approved by the enforcement agency. Drinking fountains

18369. Upon application, the Division of Housing may issue a permit for the operation of an auto or trailer camp, Auto camp, etc., permit

which permit may allow variations in specified respects from the requirements of this article, under the following conditions:

(a) When the auto or trailer camp is operated incidental to the operation of a fishing resort where boats are rented, and the auto or trailer camp is not so located as to rely primarily on tourist travel for patronage.

(b) Where such relaxation in the requirements of this article as the Division of Housing may permit will not in fact endanger public health.

Article 6. Garbage and Rubbish Disposal

Metal cans 18375. In every auto and trailer camp one or more metal garbage cans with tight fitting covers, appropriately labeled, shall be provided for every six, or fractional part of six, trailer coaches or camp sites within the camp.

Disposal 18376. All garbage, waste, and rubbish in every auto and trailer camp shall be burned, buried, or removed from the premises and disposed of without creating a nuisance.

Distance 18377. Any person who uses, occupies, operates, or maintains any trailer coach shall not deposit or dispose of any garbage, rubbish, or refuse otherwise than by burning or burying it at a distance more than 50 feet from any public highway or road and more than 200 feet from any spring, well, stream, lake, reservoir, or other source of water supply.

Waste water 18378. It shall be unlawful to permit any waste water or material from sinks or other plumbing fixtures in a trailer coach to be deposited upon the surface of the ground, and all such fixtures, when in use, must be connected to a sewer system or covered cesspool or septic tank.

Article 7. Maintenance and Sanitation

Maintenance 18400. The area or tract of land upon which an auto and trailer camp is maintained shall be:

(a) Well drained and graded.

(b) Kept free from dust.

(c) Kept clean and free from the accumulation of refuse, garbage, rubbish, or debris.

Rubbish 18401. The space directly beneath each trailer coach shall be kept clean and free from refuse, rubbish, or other impedimenta.

CHAPTER 5. LIQUEFIED PETROLEUM GASES

Location 18425. (a) No cylinder shall be located within a building enclosed on four sides, nor within a trailer coach, nor within five (5) feet of a source of ignition, nor below ground, nor below ground level, nor with the outlet less than five (5) feet away from any building opening which is below the level of such outlet.

Vents The discharge from safety valves shall be vented in such a manner as to prevent any impingement of escaping LPG upon

the vessel, and such discharge point shall be not less than five (5) feet, measured horizontally from any building opening which is below such discharge.

(b) Each tank shall be located with respect to the nearest Location source of ignition or line of property adjoining, which may be built upon in accordance with the following table. Vessels and first-stage regulating equipment carrying more than 20 psi pressure shall be located outside the buildings or trailer coaches except as hereinafter provided. Each individual vessel shall be located with respect to the nearest important building or group of buildings or line of property adjoining, which may be built upon, in accordance with the following table: Table

Volumetric capacity of vessels (in U. S. gallons)	Minimum distance
Not more than 500 U. S. gallons -----	10 feet
501 to 1,200 U. S. gallons -----	25 feet
Over 1,200 U. S. gallons -----	50 feet

(c) Regulating or filling equipment on tanks filled on consumers' premises shall not be less than 15 feet from any opening into or under a building where such opening is below the level of the outlets of such regulating or filling equipment.

(d) Readily ignitable material shall not be permitted within ten (10) feet of any vessel, regulator, or vaporizer.

18426. No cylinder shall be charged within ten (10) feet Charging of any trailer coach in an auto and trailer park.

CHAPTER 6. MISCELLANEOUS PROVISIONS

18450. Every person who owns or operates an auto and Registration trailer camp shall keep a register in which shall be entered (a) the name and address of each guest who is the owner or operator of an automobile, and the name and address of each member of his party, for which space is rented in an auto and trailer camp; (b) the make, type and license number of the automobile, and trailer, if any, and the state in which such vehicle or vehicles is or are registered and the year of registration.

18451. In every auto and trailer park there shall be installed and kept burning from sunset to sunrise sufficient Artificial light artificial light to adequately illuminate every building containing public toilets and public showers, and the area or tract of land containing the auto and trailer park.

18452. In every auto and trailer park, electric wiring, fixtures, and equipment shall be installed in a safe and approved Electric wiring, fixtures, etc workmanlike manner, and maintained to the satisfaction of the enforcement agency.

18453. Dogs and barnyard animals, including poultry, Animals shall not be permitted to run at large in any auto and trailer park.

Public grounds 18454. This part does not apply to any supervised public park, public campground, or picnic ground owned, operated, or maintained by any of the following:

(a) The Federal Government.

(b) The State.

(c) Any agency or political subdivision of the State.

Inapplicability of part 18455. (a) This part does not apply to any hotel which is subject to the provisions of Part 1 of this division. A "motel" as defined in Section 18502 of this code shall not be considered subject to Part 1.

(b) This part does not apply to any apartment house which is over one story in height and which is subject to the provisions of Part 1 of this division.

Caretaker 18456. It is unlawful for any person to operate or maintain, or cause or permit to be operated or maintained, any auto and trailer camp, unless there is a caretaker in the camp at all times. The caretaker shall enforce within the camp provisions of this part governing the operation and maintenance of auto and trailer camps.

CHAPTER 7. VIOLATIONS

Penalty 18475. Any person who violates any of the provisions of this part is guilty of a misdemeanor, punishable by a fine not exceeding two hundred dollars (\$200) or by imprisonment not exceeding 30 days, or by both such fine and imprisonment.

SEC. 3. Part 2.1 is added to Division 13 of said code, to read:

PART 2.1. AUTO COURTS AND RESORTS

CHAPTER 1. DEFINITIONS AND SCOPE

Construction 18500. The provisions of this part insofar as they are substantially the same as existing statutory provisions relating to the same subject matter shall be construed as restatements and continuations, and not as new enactments.

"Auto court and resort" 18501. "Auto court and resort," as used in this part, means any area, place, or tract of land where two or more single family dwellings, or a building containing two or more apartments designed, used, or intended wholly or in part for the accommodation of transients, are located and offered for hire, rent, or lease by any person, firm, or corporation. Auto court and resort also includes any motel.

"Motel" 18502. "Motel," as used in this part, means a building of not more than one story containing six or more guest rooms or apartments, or combinations thereof, each of which has a separate, individual entrance leading directly from the outside of the building and is designed, used or intended wholly or in part for the accommodation of automobile transients.

"Apartment" 18503. "Apartment," as used in this part, means a room or suite of rooms in a building occupied or designed for occupation by one family for living or sleeping purposes.

18504. "Approved," when used in connection with any material, appliance or construction, means meeting the requirements and approval of the Division of Housing of the Department of Industrial Relations of the State of California.

18505. "Building," as used in this part, means a tent, tenthouse, single and multifamily dwelling, public toilets, public baths and laundry rooms or other structures and a compartment containing a toilet or bath, or both, constructed for the exclusive use of an occupant of a camp site.

18506. "Dwelling," as used in this part, is a building containing one or more apartments.

18507. "Garage" means any space in any building used for the storage of automobiles.

18508. "Family," as used in this part, means one person living alone or a group of two or more persons occupying an apartment.

18509. "Liquefied petroleum gas" means petroleum hydrocarbons or mixtures thereof, in liquid or gaseous state, having a vapor pressure in excess of 26 psi at a temperature of 100 degrees F. Whenever the symbol "LPG" is used, it shall mean liquefied petroleum gas.

18510. "Story" is defined as that portion of a building included between the finished floor and the finished ceiling of any floor and shall be not less than eight feet in height.

18511. In an auto court and resort "nuisance" includes any of the following:

(a) Any public nuisance known at common law or in equity jurisprudence.

(b) Whatever is dangerous to human life or is detrimental to health.

(c) The overcrowding of any room with occupants.

(d) Insufficient ventilation or illumination of any room.

(e) Inadequate or insanitary sewage or plumbing facilities.

(f) Whatever renders air, food, or drink unwholesome, or detrimental to the health of human beings.

18512. The provisions of this part relating to auto courts and resorts apply only in the unincorporated areas of this State.

CHAPTER 2. ENFORCEMENT, ACTIONS AND PROCEEDINGS

18550. The Division of Housing in the Department of Industrial Relations shall enforce every provision of this part.

The officers or agents of the division, or the county health officer, may:

(a) Enter public or private property to determine whether there exists any auto court and resort, to which this part applies.

(b) Enter and inspect all auto courts and resorts wherever situated, and inspect all accommodations, equipment or paraphernalia used in connection therewith, including the right to examine any registers of occupants maintained therein in order to secure the enforcement of the provisions of this part.

Abatement
of nuisance

18551. The owner or operator of an auto court and resort shall abate any nuisance in the court and resort within five days, or within such longer period of time as may be allowed by the Division of Housing, after he has been given written notice by the division to remove the nuisance. If he fails to do so within that time, the district attorney of the county in which the auto court and resort, or the greater portion of the auto court and resort, is situated shall bring a civil action to abate the nuisance in the superior court of the county in the name of the people of the State of California.

Facts
required

18552. In any action or proceeding to abate a nuisance in an auto court and resort, proof of the following facts is sufficient for a judgment or order for the abatement of the operation of the auto court and resort:

(a) Previous conviction of the owner or operator of the auto court and resort of a violation of this part which constitutes a nuisance.

(b) Failure on the part of the owner or operator to correct the violation after the conviction.

(c) The violation is the basis for the proceeding.

Authority
of officers

18553. For the purpose of securing the enforcement of this part the officers or agents of the Division of Housing shall have the authority of peace officers, including authority to make arrests, to serve any process or notice throughout the State, and generally such other authority of peace officers as may be necessary in order to secure enforcement of this part.

CHAPTER 3. PERMITS AND FEES

Permit
necessary

18600. It is unlawful for any person to do any of the following unless he first makes application in writing to the Division of Housing and obtains a permit therefor:

(a) Construct an auto court and resort.

(b) Construct additional buildings or reconstruct or move existing buildings in an existing auto court and resort.

(c) Operate, or rent, lease, sublease, let, or hire out for occupancy any building in an auto court and resort that has been constructed, reconstructed, or altered or moved without having obtained a permit as required herein.

(d) Operate an auto court and resort for which a fee of twenty-five dollars (\$25) has never been paid either to construct or operate.

Contents of
application

18601. In the case of a new auto court and resort, or a new combination auto court and resort and auto and trailer camp, the application shall be accompanied by:

(a) A description of the grounds upon which the auto court and resort or auto and trailer camp is to be constructed.

(b) Plans and specifications of the proposed construction.

(c) A description of the water supply, ground drainage, and method of sewage disposal.

(d) A fee of twenty-five dollars (\$25), except that the fee shall be waived when the new auto court and resort or new auto and trailer camp is to be operated as a combination auto

court and resort and auto and trailer camp with an auto court and resort or trailer camp for which a fee has been paid and a permit issued.

18602. In the case of an existing auto court and resort, the application shall be accompanied by:

(a) A description of the grounds upon which buildings are to be added or reconstructed, or to which buildings are to be moved, or which is to be used for camping purposes.

(b) Plans and specifications of the proposed addition, reconstruction or movement.

(c) A description of the water supply, ground drainage, and method of sewage disposal.

(d) In an auto court and resort, or a motel, a fee of two dollars (\$2) for every apartment in a building which is added or reconstructed or moved; and provided, however, that no fee greater than twenty-five dollars (\$25) shall be required.

18603. Within 10 days after the application, descriptions, ^{Inspection} plans and specifications, and required fee, if any, are filed and paid, an inspector of the Division of Housing shall inspect the grounds upon which the applicant proposes to do the work for which he seeks a permit. The division shall issue a written permit to the applicant if, in its opinion:

(a) The grounds are satisfactory for the work proposed.

(b) The descriptions and plans and specifications filed indicate that the work proposed will meet the requirements of this part.

18604. The Division of Housing shall be notified by the ^{Changes} new owner or operator of any auto court and resort of any change in the name or the ownership or possession thereof. Said notice shall be in written form and shall be furnished within 30 days from and after any such change in name or transfer of ownership or possession. The notice shall be accompanied by a transfer fee of ten dollars (\$10).

18605. Permits for construction and operation shall be ^{Posting} posted in a conspicuous place.

18606. All permits as required in this chapter for construction or reconstruction of an auto court and resort shall ^{Expiration} automatically expire within six months from the date of the issuance thereof in those cases where the construction or reconstruction has not been completed within said period; provided, however, that the Division of Housing may extend the expiration date of said permit for a reasonable time.

18607. In the event that any person holding a permit ^{Violations} issued by the Division of Housing under Chapter 3 of Part 2.1, Division 13 of this code, violates any of the provisions of the said permit or of the said chapter, the permit may be subject to suspension as provided in this chapter.

18608. The Division of Housing shall issue and serve ^{Notice of violations} upon the permittee a notice setting forth in what respect the provisions of the permit and/or this code have been violated, and shall notify him that unless these provisions have been

complied with within 30 days after the date of notice, the permit shall be subject to suspension.

Service of
notice

18609. The notice shall be served by posting at least one copy in a conspicuous place on the premises described in the said permit, and by sending another copy by registered mail, postage prepaid, return receipt requested, to the person to whom the permit was issued at the address therein given.

Penalty

18610. If the requirements of the said notice have not been complied with on or before the expiration of 30 days after the mailing and posting of the notice, the Division of Housing may suspend the permit.

Reinstatement

18611. Upon compliance by the permittee with the provisions of this code and of said notice, and submission of proof thereof to the Division of Housing, the division shall reinstate the permit.

CHAPTER 4. REGULATIONS

Article 1. Construction

Construction 18650. Every building in an auto court and resort shall be constructed in a substantial and thoroughly workmanlike manner; and shall provide shelter to the occupants against the elements, and exclude dampness in inclement weather.

Maintenance 18651. Every building in an auto court and resort and every part of such building shall be maintained in a state of good repair.

Footings,
foundations,
etc. 18652. The footings, foundations, walls, joists, studding, girders, columns, and all other bearing portions of a building shall be of such sizes and so constructed as to sustain safely in all their parts all the live and dead loads transmitted to them, in addition to their own dead loads.

Floor 18653. Each floor in a building shall be constructed to sustain safely a live load of not less than 40 pounds to each square foot.

Roof 18654. Each roof of a building shall be constructed to sustain safely a live load of not less than 20 pounds to each square foot.

Schedules 18655. Schedules of weights of materials, safe allowable unit stresses, and formulas used for computing stresses shall be of standard recognized practice.

Studs 18656. The wooden studs in every bearing wall and bearing partition shall be not less than two inches by four inches, and the studs shall be spaced not more than 16 inches center to center, except that construction of equal or greater strength may be used in lieu thereof.

Fire
stoppage 18657. All wooden stud walls and partitions shall be effectively fire-stopped at the floors and ceilings.

Angle-
bracing 18658. Each wooden stud wall and partition shall be thoroughly and effectively angle-braced at each corner and at least once in each 25 feet of its length, except that diagonal sheathing or other membrane of comparable strength and rigidity may be used for angle-bracing.

18659. No floor joists or other bearing support shall be cut or notched for any purpose unless it is reinforced to take up the weakness caused by the cut or notch. Reinforce-
ment of
supports

18660. Every span of wooden floor joists shall be cross-bridged with cross-bridging of not less than 2-inch x 3-inch material, at intervals not more than eight feet apart. A bearing partition, wall girder, or other support under the joists that is blocked solid over its top between the joists with blocks not less than two inches thick the full depth of the joists shall take the place of cross-bridging. Cross-
bridging

18661. Every building, except a tent or a tenthouse, shall have an adequate masonry foundation. Foundation

18662. There shall be a clear air space under the lower floor of every building in an auto court and resort. The air space shall: Air space

(a) Measure at least 18 inches in the clear from the underside of the floor joists to the ground directly beneath; provided, that waterproof masonry floors of not less than four-inch thickness may be laid directly on the ground.

(b) Be enclosed.

(c) Be provided with a sufficient number of openings with screens, lattice work, or similar installations, of a size to insure ample ventilation.

The surface underneath the floor shall be kept clean, and shall be free from any accumulation of rubbish, debris, or filth.

18663. Every sleeping room in any building in an auto court and resort shall: Sleeping
rooms

(a) Have a superficial floor area of at least 80 square feet.

(b) Be at least seven feet in width at any point within that portion of the room included in computing the minimum required superficial floor area.

18664. Every sleeping room and kitchen in any building in an auto court and resort shall have a ceiling height of at least eight feet, measured from the finished floor to the finished ceiling; but if the room has a sloping ceiling, the ceiling height may be less than eight feet in not more than one-half the sloping ceiling portion of the room. Ceiling

18665. Every partition in a building in an auto court and resort separating a room used for cooking purposes from a room used for sleeping purposes shall extend to the ceiling, or to the roof, if there is no ceiling and any openings therein shall be provided with a full length solid door. Partitions

18666. Every kitchen in any building in an auto court and resort shall contain not less than 50 square feet of floor area. Kitchen

18667. Every room in a building in an auto court and resort used as a toilet or bath room shall be separated by a partition extending to the ceiling, or to the roof if there is no ceiling, and any openings therein shall be provided with a full length solid door. Bath rooms

Inapplica-
bility of
provisions

18668 The provisions of Sections 18656, 18657, 18658, 18659, 18660, and 18661 of this article shall not apply to the construction of tent-houses in seasonal resorts operated between May 1st and October 15th of each year.

Article 2. Windows

"Window"

18675. "Window," as used in this article, includes a French door or window.

Width

18676. Windows required by this article may be measured the full width of the sash.

Aggregate
area

18677. Every living room, sleeping room, or kitchen in every building in any auto court and resort shall be provided with one or more windows having an aggregate area of not less than one-eighth the floor area of the room, or not less than 12 square feet, whichever is the greater.

Every bath or water closet compartment shall be provided with one or more windows having an aggregate area of not less than six square feet.

Fan exhaust
system

18678. In lieu of windows for private bath and toilet compartments in an auto court and resort, or motel, an approved fan exhaust system of ventilation may be used.

Design

18679. The fan exhaust system of ventilation shall be so designed and operated as to produce a complete change of air in not more than five minutes.

Penalty

18680. Any person in charge of a building in which a fan exhaust system of ventilation is installed and used pursuant to this article, who fails, neglects, or refuses to operate and maintain the system in good order and repair so that the air in each room for which it is provided is not completely changed within the specified intervals, is guilty of a misdemeanor.

Windows
Open area

18681 Windows required by this article shall be so arranged that at least one-half of their aggregate area may be opened.

View from
window

18682. All required windows shall abut upon a street, or a yard or court not less than four feet in clear width, and containing an area of not less than 40 square feet, open and unobstructed to the sky, located on the same lot as the building it serves. Required bath or toilet room windows, however, may open into a vent shaft at least three feet in its least dimension and unobstructed to the sky.

Roofed
porch

18683 Any window required by this article may open through a roofed porch which:

(a) Does not exceed seven feet in depth.

(b) Has one side or one end abutting a street, or a yard or court not less than four feet in width. Such street, yard or court shall be directly opposite the windows served.

(c) Has a ceiling height of not less than seven feet.

The open and unobstructed side and end of the porch may be covered with metal screening of at least 16 mesh.

Article 3. Air Ducts

18700. Every duct used for the transmission of air, ^{Construction} whether for ventilating, cooling, or heating purposes, and forming part of any mechanical or other system of ventilation or air conditioning system, installed in any auto courts and motels, shall be constructed of either of the following materials:

- (a) Approved incombustible materials.
- (b) Approved metal not less than number 26 gauge, with lock-jointed seams and with all joints connecting each duct unit effectively riveted or otherwise securely attached.

Article 4. Garages

18725. No window from any building shall open into a ^{Windows} garage.

18726. Every garage shall be provided with a minimum ^{Ventilation} ventilation area of 60 square inches for each automobile stored in each garage. Each ventilation outlet shall be protected with galvanized wire or rods not less than three-eighths-inch diameter and provide openings not less than one-half-inch mesh. Each ventilation opening shall lead to the outer air and shall not be more than 18 inches above the garage floor level.

Article 5. Masonry Construction

18750. Unit masonry walls used in the construction of any ^{Walls} building in an auto court and resort or motel shall be constructed as follows:

- (a) Bearing walls and bearing partitions shall be not less than eight inches in width.
- (b) All masonry units shall be laid up in cement mortar.
- (c) Bearing walls shall be so designed and constructed to withstand the vertical live and dead loads placed on them and to withstand a horizontal force from any direction of 15 pounds per square foot of wind pressure on the vertical projection of the exposed surface of the walls.
- (d) Walls as described above shall be so designed as to admit of a rational analysis in accordance with established principles of mechanics.

Article 6. Plumbing, Use and Sanitation

18775. One water closet for each sex shall be provided in ^{Water closets} a separate compartment for every 10 apartments or fractional part thereof in an auto court and resort not provided with a private water closet; provided, however, that the enforcement agency may authorize other types of toilet facilities in its discretion.

18776. Every water closet compartment in any building ^{Width} shall be at least 30 inches in clear width.

Toilets	18777. The public toilets shall be maintained readily accessible to all the tenants at all times.
Bathing	18778. One shower or bathtub for each sex shall be provided in a separate compartment for every 10 apartments or units or fractional part thereof in every auto court and resort not provided with private bathing facilities. Such shower or bathtub shall be supplied with hot and cold water.
Flooring	18779. The floor of every water closet and shower bath compartment shall be constructed, and shall be maintained in a waterproof condition by the use of cement, concrete, or other approved waterproof material. The waterproof material shall be applied upward on the interior walls of the shower bath compartment to a height of not less than six feet above the floor.
Location of toilet, etc	18780. No apartment or unit shall be more than 200 feet from a toilet and a shower or bath compartment.
Kitchen	18781. Each kitchen shall be provided with a kitchen sink constructed of approved nonabsorbent material, and supplied with hot and cold running water.
Water closet door or opening	18782. No door or other opening in the water closet compartment shall open from or into any room in which food is stored, prepared, or cooked.
Traps	18783. In every building in an auto court and resort each plumbing fixture shall be connected to a sanitary drainage system, and shall be provided with a water-sealed trap.
Vents	18784. The trap shall be separately and effectively vented by means of a connection to a vent pipe extending to the outer air above the roof. The vent pipe shall be so installed and maintained that no drainage or sewage from any fixture may be deposited in or conveyed through it. 18785. Plumbing vent pipes installed in any building shall not terminate at a point adjacent to any window or other opening in the building intended or used for ventilation purposes.
Cleanouts	18786. Suitable and readily accessible cleanouts shall be placed at convenient points in the plumbing system of every building.
Replacement of fixtures	18787. Whenever any plumbing fixture becomes insanitary, the enforcement agency may require its removal and replacement by a fixture conforming to the provisions of this part.
Cesspool or septic tank	18788. If it is impracticable to connect the plumbing fixtures affecting the sanitary drainage system with municipal or sanitary district sewer, sewage or waste may be discharged into a cesspool or into a septic tank constructed and maintained to the satisfaction of the enforcement agencies.
Sewage, etc	18789. No sewage, waste water or any effluent shall be allowed to be deposited on the surface of the ground.
Water supply	18790. There shall be in every auto court and resort an adequate supply of pure water for all the requirements of the camp. The water shall be obtainable from faucets installed within 100 feet of each part of the court.
Dipping	18791. No dipping vessels or cups for common use are permissible in any auto court and resort.

18792. Drinking fountains shall be maintained in a sanitary condition and shall be of a type approved by the enforcement agency. Drinking fountains

18793. Every gas water heater, and every other gas-fire appliance used for the purpose of heating a building, except gas plates and gas ranges, in every auto court and resort apartment shall be an approved vented type appliance and shall be so vented as to effectively discharge the flue gases therefrom through a sheet metal or other approved vent pipe not less than the area of the vent outlet on the appliance but in no case less than two and one-half inches in internal diameter, which vent pipe shall be connected to a vertical, or substantially vertical flue or chimney leading to the outer air above the roof. A model or sample of every such gas water heater and every other gas-fire appliance used for the purpose of heating a building, except gas plates and gas ranges, shall have been tested and approved by a nationally recognized standard or nationally recognized testing laboratory and such appliance shall have attached thereto an insignia of approval by such standard or testing laboratory. The flue or chimney shall be either terra cotta, brick, fire clay, or other approved product, having a wall thickness of adequate insulating value, and which will not disintegrate from the effects of the products of combustion. The internal area of the flue or chimney shall be at least 12 square inches. Gas appliances

All gas appliances subject to the provisions of this section and all gas plates and gas ranges shall be rigidly connected with metal piping directly to the gas service outlet.

18794. There shall be installed in the ceiling over any gas cooking appliance an opening not less than six by eight inches, connected to a vertical duct leading to the outer air above the roof. Vents

18795. A room used for the cooking and preparation or storage of food shall not be used for sleeping purposes. Sleeping rooms

18796. It is unlawful to use or permit to be used for sleeping purposes any room in any building that does not contain at least 640 cubic feet of air space. Air space

If any room is used for sleeping purposes by more than two persons, the minimum required cubic air space of the room shall be increased by not less than 500 cubic feet for each additional person in excess of two that the room is designed, built, or intended to, or does, accommodate.

18797. Every building in an auto court and resort and every part of such building shall be maintained in a clean and sanitary condition and shall be kept free from vermin, debris, filth, rubbish, garbage or other offensive matter. Sanitary

18798. The premises upon which an auto court and resort is situated shall be well drained and properly graded and maintained in a clean and sanitary condition. Drainage

18799. Every mattress and all bedding used in any auto court and resort shall be maintained in a clean and sanitary condition and free from vermin. Bedding

Refuse 18800. All garbage, waste and rubbish in every auto court and resort shall be burned, buried, or removed from the premises without creating a nuisance and in such manner as may be approved by the health department of the county in which the camp is located.

CHAPTER 5. LIQUEFIED PETROLEUM GASES

Location 18825. (a) No cylinder shall be located within a building enclosed on four sides, nor within five (5) feet of a source of ignition, nor below ground, nor below ground level, nor with the outlet less than five (5) feet away from any building opening which is below the level of such outlet.

Vents The discharge from safety valves shall be vented in such manner as to prevent any impingement of escaping LPG upon the vessel, and such discharge point shall be not less than five (5) feet, measured horizontally from any building opening which is below such discharge.

Location (b) Each tank shall be located with respect to the nearest source of ignition or line of property adjoining, which may be built upon in accordance with the following table. Vessels and first-stage regulating equipment carrying more than 20 psi pressure shall be located outside the buildings, except as hereinafter provided. Each individual vessel shall be located with respect to the nearest important building or group of buildings or line of property adjoining, which may be built upon, in accordance with the following table:

Table

Volumetric capacity of vessels (in U. S. gallons)	Minimum distance
Not more than 500 U. S. gallons.....	10 feet
501 to 1,200 U. S. gallons.....	25 feet
Over 1,200 U. S. gallons.....	50 feet

(c) Regulating or filling equipment on tanks filled on consumers' premises shall not be less than 15 feet from any opening into or under a building where such opening is below the level of the outlets of such regulating or filling equipment.

(d) Readily ignitable material shall not be permitted within ten (10) feet of any vessel, regulator, or vaporizer.

Charging 18826. No cylinder shall be charged within ten (10) feet of any building in an auto court and resort or motel.

CHAPTER 6. MISCELLANEOUS PROVISIONS

Registration 18875. Every person who owns or operates an auto court and resort shall keep a register in which shall be entered (a) the name and address of each guest who is the owner or operator of an automobile, and the name and address of each member of his party, for which accommodations are afforded in an auto court and resort, (b) the make, type and license number of the automobile, if any, and the state in which such vehicle or vehicles is or are registered and the year of registration.

18876. In every auto court and resort there shall be installed and kept burning from sunset to sunrise sufficient artificial light to adequately illuminate every building containing public toilets and public showers, and the area or tract of land containing the auto court and resort.

18877. In every auto court and resort electric wiring, fixtures, and equipment shall be installed in a safe and approved workmanlike manner, and maintained to the satisfaction of the enforcement agency.

18878. Dogs and barnyard animals including poultry, shall not be permitted to run at large in any auto court or resort.

18879. This part does not apply to any supervised public park, public campground, or picnic ground owned, operated, or maintained by any of the following:

(a) The Federal Government.

(b) The State.

(c) Any agency or political subdivision of the State.

18880. (a) This part does not apply to any hotel which is subject to the provisions of Part 1 of this division. A "motel" as defined in Section 18502 shall not be considered subject to Part 1.

(b) This part does not apply to any apartment house which is over one story in height and which is subject to the provisions of Part 1 of this division.

CHAPTER 7. VIOLATIONS

18895. Any person who violates any of the provisions of this part is guilty of a misdemeanor, punishable by a fine not exceeding two hundred dollars (\$200) or by imprisonment not exceeding 30 days, or by both such fine and imprisonment.

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

A great increase in the number of trailer parks and trailer coaches throughout the State and a change in their use from temporary to permanent occupancy requires that the law regulating these occupancies be amended during this session of the Legislature. The great development in number and the change of nature of occupancy has produced potential hazards to health and safety, particularly with respect to the plumbing and wiring of trailer coaches and trailer parks. For proper amendment it is necessary to divide the present law into two separate acts as Part 2, Division 13 of the Health and Safety Code now regulates auto courts, resorts and motels as well as trailer parks, and many sections of this law are applicable to both auto courts and trailer parks. Upon enactment of this act it is desired to enact at this session of the Legislature amended, separate acts regulating trailer parks and auto courts. This act

merely divides the law into separate acts without making any substantial change.

CHAPTER 92

An act to amend Section 1403 of the Health and Safety Code, relating to licensing of hospitals.

In effect
September
7, 1955

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1403 of the Health and Safety Code is amended to read:

1403. Each application for a license under this chapter, except applications by local hospital districts, cities, or counties, shall be accompanied by a fee determined by the number of beds, exclusive of bassinets, maintained for the use of patients, according to the following schedule of fees:

- (a) Less than 50 beds—twenty dollars (\$20);
- (b) Fifty beds or more and less than 100 beds—thirty dollars (\$30);
- (c) One hundred beds or more and less than 200 beds—forty dollars (\$40);
- (d) Two hundred beds or more—fifty dollars (\$50).

CHAPTER 93

An act to amend Section 2559.5 of the Health and Safety Code, relating to tuberculosis, communicable disease, and public health.

In effect
September
7, 1955

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2559.5 of the Health and Safety Code is amended to read:

2559.5. All city, county and other local health officers are hereby directed to use every available means to ascertain the existence of, and immediately to investigate, all reported or suspected cases of tuberculosis in the infectious stages within their several territorial jurisdictions, and to ascertain the sources of such infections. In carrying out such investigations, all health officers are hereby invested with full powers of inspection, examination and quarantine of all persons known to be infected with tuberculosis in an infectious stage and are hereby directed:

- (a) To make such examinations as are deemed necessary of persons reasonably suspected of having tuberculosis in an infectious stage and to isolate or isolate and quarantine such

persons, whenever deemed necessary for the protection of the public health.

(b) Follow local rules and regulations, and all general and special rules, regulations, and orders of the state department in carrying out such quarantine or isolation.

(c) Whenever the health officer shall determine that quarantine or isolation in a particular case is necessary for the preservation and protection of the public health, he shall make an isolation or quarantine order in writing, setting forth the name of the person to be isolated, the period of time during which the order shall remain effective, the place of isolation or quarantine, and such other terms and conditions as may be necessary to protect the public health.

(d) Upon the making of an isolation or quarantine order as provided in this section, a copy of such order shall be served upon the person named in such order.

(e) Upon the receipt of information that any quarantine or isolation order, made and served as herein provided, has been violated, the health officer shall advise the district attorney of the county in which such violation has occurred, in writing, and shall submit to such district attorney the information in his possession relating to the subject matter of such isolation or quarantine order, and of such violation or violations thereof.

CHAPTER 94

An act to repeal Sections 7400, 7404, 7410, 10102, 10476, and the title of Chapter 6, Part 1, Division 7 of, to amend and renumber Sections 7401, 7402, 7405, 7406, 7407, 7411, and 7412 of, to amend Sections 7501, 10551, 10607, and 10617 of, and to add Sections 10483 and 10632 to, the Health and Safety Code, relating to vital statistics and public health.

[Approved by Governor April 8, 1955. Filed with Secretary of State April 8, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Sections 7400, 7404, 7410, 10102, and 10476, ^{Repeals} and the title of Chapter 6, Part 1, Division 7, of the Health and Safety Code are repealed.

SEC. 2. Section 7406 of said code is amended and renumbered to be included in Article 6, Chapter 4, Division 9 of said code, to read:

10474. No person shall inter in any cemetery any human body unless (a) there has been obtained and filed with the local registrar of the city or county where death occurred, a death certificate, and (b) there has been obtained from the local registrar a burial permit. ^{Conditions of interment}

SEC. 3. Section 7401 of said code is amended and renumbered to read:

When death
permit
required

10476. The body of any person whose death occurs in this State, or whose body is found in the State, or which is brought in from outside the State, shall not be temporarily held pending disposition more than five days after death, unless a permit for disposition is issued by the local registrar of the registration district in which the death occurred or the body was found.

SEC. 4. Section 7411 of said code is amended and renumbered to read:

Endorsement
of permit,
etc

10478. The person in charge shall sign the permit, endorse upon it the date of interment or cremation, and return all permits so endorsed to the local registrar of his district within 10 days from the date of interment or cremation

SEC. 5. Section 7405 of said code is amended and renumbered to read:

Filing of
permit

10479. When human remains are transported from outside the State into a registration district in California for interment, the transit or removal permit, issued in accordance with the law and health regulations of the place where the death occurred, shall be accepted by the local registrar of the district into which the human remains have been transported, as a basis upon which he shall issue a local burial permit, noting upon the face of the burial permit the fact that human remains were shipped in for interment and the place of death. The transit or removal permit issued in accordance with the law and health regulations of the place where the death occurred shall be filed with the copy of the permit issued by the local registrar.

SEC. 6. Section 7402 of said code is amended and renumbered to read:

Exemption

10480. This chapter does not prevent a funeral director from removing a body from the registration district where the death occurred or the body was found to another registration district in the same or another county in a funeral director's conveyance for the purpose of preparing the body for interment or shipment.

SEC. 7. Section 7407 of said code is amended and renumbered to read:

Validity of
permit

10481. A burial permit issued in one county or city is valid and sufficient in any county it specifies as the place of interment and shall be issued in duplicate. Further permit for interment shall not be required, but any county interment fees required by law or ordinance shall be paid.

SEC. 8. Section 7412 of said code is amended and renumbered to read:

Cemetery
in two
registration
districts

10482. If any cemetery is located partly in one registration district and partly in another, only one permit shall be required for interment and a permit authorizing interment in such cemetery shall entitle interment to be made within or without the district to which such permit is directed. Such permit shall be returned to the registration district in which the interment is made irrespective of the district to which it is

directed. The local registrar of the district in which such interment is made shall forthwith file such permit on presentation without charge.

SEC. 8.5. Section 10483 is added to said code, to read:

10483. Permits for the disinterment or removal of interred remains shall be required, as specified in Part 2 of Division 7 of this code. Disinterment
or removal
permits

SEC. 9. Section 7501 of said code is amended to read:

7501. A cemetery authority shall not remove or permit the removal of any interred remains, unless a permit for the removal has been issued by the local registrar of the district in which the premises are located, and delivered to the cemetery authority. Any person entitled by law to remove any remains may apply to the local registrar for a permit to remove them. The local registrar shall issue a permit, which in all cases shall specify the name of a cemetery where the remains shall be interred, and shall retain a copy.

SEC. 10. Section 10551 of said code is amended to read:

10551. Any birth, death or marriage record which was registered within a period of one year from the date of the event under the provisions of this division, or any copy of such record or part thereof, properly certified by the state or local registrar of vital statistics or the county recorder, is prima facie evidence in all courts and places of the facts stated in it. Prima facie
evidence

SEC. 11. Section 10607 of said code is amended to read:

10607. The order shall become effective upon a filing of a certified copy with the State Registrar of Vital Statistics. A copy of the court order delayed certificate shall be sent by the State Registrar to the local registrar of the district and to the county recorder of the county within which the event occurred and in whose offices records of the year of occurrence of the event are on file except that, if the event occurred outside the State, a copy of the certificate shall be sent to the county recorder of the county in which the petitioner resides. Filing of
order, etc

SEC. 12. Section 10617 of said code is amended to read:

10617. The State Registrar shall review the application and the affidavits and documentary evidence accompanying it, and, if the evidence submitted complies with the provisions of this chapter, he shall accept the delayed certificate of birth for filing. The State Registrar shall send a certified copy of the certificate to the applicant without cost. Certified copies shall also be sent by the State Registrar to the local registrar of the district, and to the recorder of the county, within which the birth occurred, and in whose offices records of the year of occurrence of the event are on file. Delayed
certificate
of birth

SEC. 13. Section 10632 is added to said code, to read:

10632. The fee for issuance of a permit for disinterment or removal of interred remains is fifty cents (\$0.50), payable to the local registrar by the applicant for the permit. Fee

CHAPTER 95

An act to amend Section 2147.5 of the Business and Professions Code, relating to the healing arts.

In effect
September
7, 1955

[Approved by Governor April 8, 1955. Filed with
Secretary of State April 8, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2147.5 of the Business and Professions Code is amended to read:

2147.5. Any graduate student registered with the board and upon whom a degree of doctor of medicine, bachelor of medicine, or doctor of osteopathy has been conferred by a school, approved by the board, and any regularly matriculated student in a school approved by the board may, during and as a part of his course of study, but not for a period of more than two years, treat the sick and afflicted either as such student in a school approved by the board, teaching medicine, surgery or osteopathy in this State, or as an interne in a hospital approved for the training of internes, and may, for rendering such treatment, receive compensation therefor from the hospital or school. Hospitals functioning as a part of the teaching program of an approved school in this State may exchange instructors or resident or assistant resident physicians with an out-of-state approved school, or may appoint a graduate of an approved school as a resident or assistant resident for postgraduate training, and the exchange instructor, resident or assistant resident from such out-of-state school or the resident or assistant resident for postgraduate training may, for a period not exceeding one year, serve as an instructor, resident or assistant resident in such hospital in this State. Any person registered with the board and upon whom a degree of doctor of medicine or doctor of osteopathy has been conferred by a school approved by the board may act as a resident or assistant resident physician in any hospital or public health department approved for residencies or the training of internes, and may receive compensation therefor from the hospital or public health department; provided, that any such resident or assistant resident shall qualify for and take the next succeeding examination for a physician's and surgeon's certificate given by the board or shall qualify for and receive a physician's and surgeon's certificate by one of the other methods specified in this chapter. If he shall fail to pass such examination or fail to receive a certificate by one of the other methods, pending the results of the examination, all privileges under this section shall automatically cease.

Except to the extent authorized by this section, no graduate student or resident may treat the sick or afflicted or receive compensation therefor, or otherwise engage in or offer to engage in the practice of medicine or surgery; unless he shall hold a valid, unrevoked and unsuspended physician's and surgeon's certificate.

CHAPTER 96

An act to add Section 600.5 to the Vehicle Code, relating to the disposal of garbage, refuse, and other litter upon public and private highways.

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 600.5 is added to the Vehicle Code, to read:

600.5. Placing Garbage, Etc., on Highway Prohibited. It shall be unlawful to place, deposit or dump, or cause to be placed, deposited or dumped, any garbage, swill, cans, bottles, papers, ashes, refuse, carcass of any dead animal, offal, trash or rubbish or any noisome, nauseous or offensive matter in or upon any public highway or road, including any portion of the right of way thereof.

CHAPTER 97

An act to add Section 526.1 to the Streets and Highways Code, relating to one-way traffic in subterranean tubes.

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 526.1 is added to the Streets and Highways Code, to read:

526.1. Upon the completion of the additional subterranean tube between the Cities of Oakland and Alameda, in the vicinity of Webster Street, to be used in connection with the Posey Tube, both of which tubes are included in the description of Route 226, the department may by executive order, rule or regulation, designate both of said tubes, and the approaches leading to or from the nearest state highway or city street, as one-way highways, and thereafter restrict said tubes and approaches to one-way traffic, proceeding in opposite directions as to each other. Upon the placing of signs notifying the public of such restrictions, any person who wilfully fails to observe such sign is guilty of a misdemeanor.

CHAPTER 98

An act to add Section 680.5 to the Streets and Highways Code, relating to contracts for the costs of removal, relocation and repair of facilities on state highways which are not freeways.

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 680.5 is added to the Streets and Highways Code, to read:

680.5. The department and any utility as defined in Section 700 may enter into a contract for or apportioning the obligations and costs to be borne by each party for the removal, relocation or repair of facilities whenever necessary to accommodate any or all state highways which are not free-ways, to the same extent and in the same manner as is authorized for state freeways in Section 707.5.

CHAPTER 99

An act to amend Section 143.1 of the Streets and Highways Code, relating to the expenditure of funds available for state highways.

In effect
September
7, 1955

[Approved by Governor April 11, 1955 Filed with
Secretary of State April 11, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 143.1 of the Streets and Highways Code is amended to read:

Budget
report

143.1. The department shall make at least 30 days before each regular session of the Legislature a budget report to the Governor.

The commission shall prepare for inclusion, and the department shall include, in said report a statement of all estimated State Highway Fund revenues and revenues available from any other sources and estimated regular federal aid for the next succeeding fiscal year, together with a statement of proposed expenditures or obligations to be incurred during the next succeeding fiscal year for the construction, improvement, and maintenance of the various highways or portions thereof under the jurisdiction of the department under the following headings:

(a) Administration, including payments for services of the Division of Contracts and Rights of Way.

(b) Maintenance.

(c) Major Construction and Improvement. Under this will be shown all proposed expenditures or obligations to be incurred in each county group for major construction and improvement, segregating the route of each highway to be constructed or improved, the county in which located, the number of miles involved, and a description of the type of work to be done.

(d) Minor Improvement and Betterment. This heading will show the total proposed expenditures and obligations to be incurred for each county group for minor improvement and betterment.

(e) Contingencies.

(f) Rights of Way. This will show the approximate amount of money needed for the purchase of rights of way in each county group.

(g) Other proposed expenditures, including preliminary engineering.

The said report as submitted by the department shall be included in the printed fiscal year budget submitted to the Legislature. It shall constitute as submitted the complete and detailed budget submitted to the Department of Finance pursuant to Section 13320 of the Government Code. Said budget shall be administered by the Department of Finance as the Fiscal Year Budget of the Division of Highways under the provisions of this section and of Article 2 of Chapter 3 of Part 3 of Division 3 of Title 2 of the Government Code. In the case of any inconsistency, the provisions of this section shall control.

All changes or modifications in the budget shall be by vote of the commission, approved by the Director of Finance where required by this section.

Funds may be transferred from Item (e), Contingencies, to other items by vote of the commission, but no increase or decrease shall be otherwise made in any of Items (a) to (g), inclusive, of said budget without the approval of the Director of Finance. No project shown under Item (c) shall be eliminated and no new project shall be added to Item (c) of the budget without the approval of the Director of Finance. If it is necessary to eliminate or postpone any project shown under Item (c) to meet an emergency caused by floods, earthquake or other like cause or on account of decreased revenue or on account of increased costs on other work, the commission may eliminate or postpone such project upon the written approval of the Director of Finance.

In the event, during an annual period, the budgetary amount approved and allocated by the commission for any purpose exceeds the amount actually necessary therefor, with a resultant available surplus, such surplus may be allocated by the commission to any other purpose or supplemental project upon the written approval of the Director of Finance.

In administering said budget, the Director of Finance shall not limit expenditures or incurrence of obligations thereunder to quarterly, semiannual or other periods of the fiscal year and shall not require any greater detail than that specified in this section and in Section 143.2.

Contracts for any construction and improvement projects for which funds are available during any fiscal year may be awarded on and after the first day of January preceding the beginning of the fiscal year.

CHAPTER 100

An act to amend Section 11057 of the Elections Code, relating to petitions for recall of county officers.

In effect
September
7, 1955

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11057 of the Elections Code is amended to read:

11057. If the petition, together with supplementary petitions, if any, is found to be sufficient, the county clerk shall submit it to the board of supervisors without delay. The board shall at once order a special election to be held within not less than 70 nor more than 75 days after the date of the order, to determine whether the voters will recall the officer. If a regular election is to occur not less than 70 nor more than 95 days from the date of the order calling the special election, the board may, in its discretion, order the holding of the special election at the time the regular election is held.

CHAPTER 101

An act to amend Section 21680 and repeal Section 21689 of the Water Code, relating to voting.

In effect
September
7, 1955

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 21680 of the Water Code is amended to read:

21680. Before opening the polls each member of the precinct board shall sign a declaration to perform faithfully his duties, before the inspector or before any other of themselves.

SEC. 2. Section 21689 of said code is repealed.

CHAPTER 102

An act to amend Sections 30748, 30754, 30755 and 30756 and repeal Sections 30757 and 30759 of the Water Code, relating to nomination petitions.

In effect
September
7, 1955

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 30748 of the Water Code is amended as follows:

30748. The certificate of nomination shall be signed by 25 voters, or 10 percent of the voters, whichever is the smaller number, may consist of one or more parts, and shall read substantially as follows:

Certificate of
nomination

CERTIFICATE OF NOMINATION

Form

State of California }
County of ----- } ss.

We, the undersigned, certify that we do hereby join in a certificate of nomination of -----, whose residence is at -----, in said county and State, for the Office of Director of ----- County Water District to be voted for at the election to be held in said district on the ----- day of -----, 19____, and each of us further certifies that he is a voter residing within the district and is not at this time a signer of any other certificate nominating any other candidate for the above named office, or, in case there are several places to be filled in the office, that he has not signed more certificates than there are places to be filled in the office; that his residence and date of signing are as hereinafter stated.

Signature

Residence

Date

VERIFICATION DEPUTY'S AFFIDAVIT

State of California }
County of ----- } ss.

I, -----, solemnly swear that I have been appointed according to provisions of the County Water District Law as a verification deputy to secure signatures to a certificate of nomination of ----- as a candidate for election to the Office of Director of ----- County Water District; that all the signatures on this section of the certificate were made in my presence and that to my knowledge and belief each of the signatures is the genuine signature of the person whose name it purports to be.

Verification deputy

Address of verification deputy

Subscribed and sworn to before me
this ----- day of -----, 19____.

Notary public (or other official)

SEC. 2. Section 30754 of said code is amended to read:

30754. The certificate of nomination shall be filed with the county clerk not more than 45 days nor less than 30 days before the election.

Filing

	SEC. 3. Section 30755 of said code is amended to read:
Examination	30755. The county clerk shall forthwith examine the certificate and determine if it conforms to the provisions of this article.
	SEC. 4. Section 30756 of said code is amended to read:
Supplemental certificate	30756. If the certificate does not conform to the provisions of this article a supplemental certificate may be filed not less than 25 days before the election.
Repeal	SEC. 5. Section 30757 of said code is repealed.
Same	SEC. 6. Section 30759 of said code is repealed.

CHAPTER 103

An act to amend Section 1098 of the Penal Code, relating to the trial of criminal actions.

In effect
September
7, 1955

[Approved by Governor April 11, 1955 Filed with
Secretary of State April 11, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1098 of the Penal Code is amended to read:

1098. When two or more defendants are jointly charged with any public offense, whether felony or misdemeanor, they must be tried jointly, unless the court order separate trials. In ordering separate trials, the court in its discretion may order a separate trial as to one or more defendants, and a joint trial as to the others, or may order any number of the defendants to be tried at one trial, and any number of the others at different trials, or may order a separate trial for each defendant; provided, that where two or more persons can be jointly tried, the fact that separate accusatory pleadings were filed shall not prevent their joint trial.

CHAPTER 104

An act to repeal Section 10602 of the Health and Safety Code, relating to proceedings to establish records of births, deaths, and marriages.

In effect
September
7, 1955

[Approved by Governor April 11, 1955 Filed with
Secretary of State April 11, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 10602 of the Health and Safety Code is repealed.

CHAPTER 105

An act to amend Section 1956 of the Government Code, relating to insurance against the liability of public officers.

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1956 of the Government Code is amended to read:

1956. The State, a county, city, district, or any other public agency or public corporation may insure its officers, deputies, assistants, agents, and employees against any liability, other than a liability which may be insured against under the provisions of Division 4 of the Labor Code, for injuries or damages resulting from their negligence or carelessness during the course of their service or employment and for the injuries or damages resulting from the dangerous or defective condition of public property, including public property as defined in Article 2, and due to their alleged negligence or carelessness, and school districts, counties, and municipalities may insure their officers, including officers defined in Article 2, against any liability, other than a liability which may be insured against under the provisions of Division 4 of the Labor Code, for injuries or damages resulting from false arrest or false imprisonment, either by self-insurance or in any insurer authorized to transact such insurance in the State. The premium for the insurance is a proper charge against the Treasury of the State, county, city, district, public agency, or public corporation.

CHAPTER 106

An act to amend Section 5050.3 of the Welfare and Institutions Code, relating to mental commitments.

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5050.3 of the Welfare and Institutions Code is amended to read:

5050.3. When any person becomes so mentally ill as to be likely to cause injury to himself or others and to require immediate care, treatment, or restraint, a peace officer or health officer, who has reasonable cause to believe that such is the case, may take the person into custody for his best interest and protection and place him as provided in this section. The person believed to be mentally ill may be admitted and detained in the quarters provided in any county hospital or state hospital upon application of the peace officer or health officer.

The application shall be in writing and shall state the circumstances under which the person's condition was called to the officer's attention and shall also state that the officer believes, as a result of his personal observation, that the person is mentally ill and because of his illness is likely to injure himself or others if not immediately hospitalized.

The superintendent or physician in charge of the quarters provided in such county hospital or state hospital may care for and treat the person for a period not to exceed seventy-two (72) hours, excluding Sundays and nonjudicial days. Within said seventy-two (72) hours the person shall be discharged from the institution unless a petition of mental illness is presented to a judge of the superior court and the court issues an order for detention of such person, or unless the person is admitted as a patient under any other provision of law.

CHAPTER 107

An act to amend Section 1449 of the Penal Code, relating to inferior court procedure.

In effect
September
7, 1955

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1449 of the Penal Code is amended to read:

1449. In inferior courts, after a plea, finding or verdict of guilty, or after a finding or verdict against the defendant on a plea of former conviction or acquittal, or once in jeopardy, the court must appoint a time for pronouncing judgment which must not be less than six hours, nor more than five days, after the verdict or plea of guilty, unless the defendant waives the postponement; provided, however, that the court may extend the time not more than 10 days for the purpose of hearing or determining any motion for a new trial, or in arrest of judgment; and provided further, that the court may extend the time not more than 21 days in any case where the question of probation is considered; provided, however, that upon request of the defendant such time may be further extended not more than 90 days additional. In case of a postponement, the court may hold the defendant to bail to appear for judgment. If in the opinion of the court there is a reasonable ground for believing a defendant insane, the court may extend the time of pronouncing judgment and may commit the defendant to custody until the question of insanity has been heard and determined.

In the event that the defendant is a veteran who was discharged from service for mental disability, upon his request his case shall be referred to the probation officer, who shall

secure a military medical history of such defendant and present it to the court together with his recommendation for or against probation.

CHAPTER 108

An act to amend Section 442 of the Fish and Game Code, relating to licenses.

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 442 of the Fish and Game Code is amended to read:

442. All persons fishing from the shores of the Colorado River located in Arizona or California must have in possession a valid angling license from the state which has jurisdiction over said shore line. Such shore line fishing does not require a Colorado River special use permit as long as said fishermen remain on the shore and do not embark on the water, except, however, that residents of Arizona having in possession a valid Arizona angling license and a California special use permit may fish from the shores of the Colorado River located in California without being subjected to the provisions of Section 428.

CHAPTER 109

An act to amend Section 502 of the Vehicle Code, relating to driving while under the influence of liquor.

[Approved by Governor April 11, 1955. Filed with
Secretary of State April 11, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 502 of the Vehicle Code is amended to read:

502. When Person Driving Under Influence of Liquor Guilty of Misdemeanor. (a) It is unlawful for any person who is under the influence of intoxicating liquor to drive a vehicle upon any highway. Any person convicted under this section shall be punished upon a first conviction by imprisonment in the county jail for not less than 30 days nor more than six months or by fine of not less than fifty dollars (\$50) nor more than five hundred dollars (\$500) or by both such fine and imprisonment and upon a second or any subsequent conviction by imprisonment in the county jail for not less than 90 days nor more than one year or by a fine of not less than two hundred dollars (\$200) nor more than one thousand dollars (\$1,000) or by both such fine and imprisonment. A conviction under this section shall be deemed a second conviction if the

person has previously been convicted of a violation of Section 501 of this code.

(b) Whenever any person is convicted of a violation of this section it is the duty of the judge unless, under the provisions of Section 307, the court recommends that there be no license suspension, to require the surrender to him of any operator's or chauffeur's license of such person and to forward the same to the department with the abstract of conviction as provided in Section 744 hereof, and the department shall suspend the driving privilege of any person so convicted as provided in Section 307.

CHAPTER 110

An act to add Section 3042.5 to the Business and Professions Code, relating to the practice of optometry.

In effect
September
7, 1955

[Approved by Governor April 11, 1955 Filed with
Secretary of State April 11, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 3042.5 is added to the Business and Professions Code, to read:

3042.5. (a) The practice of persons actually enrolled as undergraduate or graduate students of optometry in the clinical departments of schools or colleges of optometry accredited by the board shall be exempt from the provisions of this chapter; provided, however, that such practice shall be entirely confined to the operations of the clinical department of the accredited school or college of optometry and shall be carried on only in pursuing the study of optometry.

(b) The board may grant, for specified periods, exemption from the provisions of this chapter to any person who is licensed in another state or country and who is employed as a clinician or instructor by an accredited school or college of optometry. Such exemption from the provisions of this chapter shall extend only to practice which is conducted for educational purposes and which is confined to the clinical department of the accredited school or college employing the person to whom the exemption is granted.

CHAPTER 111

An act to amend Sections 5000, 5075, 5150, 5251, 5258, 5356, 6601, 6620, 6659, 6700, 6703, and 6733 of the Welfare and Institutions Code, relating to the discharge of patients from state hospitals.

In effect
September
7, 1955

[Approved by Governor April 11, 1955 Filed with
Secretary of State April 11, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 5000 of the Welfare and Institutions Code is amended to read:

5000. The superior judge of each county may grant certificates in accordance with the form prescribed by the State Department of Mental Hygiene, showing that the persons named therein are reputable physicians and graduates of incorporated medical colleges, and have been in active practice of their profession at least five years. When certified copies of such certificates have been filed with the department, it shall issue to such persons certificates or commissions, and the persons therein named shall be known as "medical examiners." There shall at all times be at least two such medical examiners in each county. The certificate may be revoked by the department for incompetency or neglect, and shall not be again granted without the consent of the department.

SEC. 2. Section 5075 of said code is amended to read:

5075. The provisions of this article shall be liberally construed, so that persons who are mentally disordered and bordering on mental illness but not dangerously mentally ill may, without being committed to the Department of Mental Hygiene, receive humane care and custody, and be restored to normal mental condition as rapidly as possible.

SEC. 3. Section 5150 of said code is amended to read:

5150. The cost necessarily incurred in determining the mental illness or insanity calling for care or commitment under this code of an indigent person and securing his admission into a state hospital, and the expense of providing proper clothing for him in accordance with the rules and regulations adopted by the Department of Mental Hygiene, is a charge upon the county from which he is committed. Such costs include the fees of the medical examiners allowed by the judge before whom the testimony of the medical examiners is given.

SEC. 4. Section 5251 of said code is amended to read:

5251. Any feeble-minded person or epileptic who is not insane may be committed to the Department of Mental Hygiene for placement in a designated state home for the feeble-minded if he has been a resident of the State for the period of one year next preceding the presentation of the petition, or, in the case of a person under the age of one year who was born in the State, if the parent in whose custody he is has been a resident of the State for the period of one year next preceding the presentation of the petition.

SEC. 5. Section 5258 of said code is amended to read:

5258. If the court finds that the person is an epileptic or feeble-minded person, and that he has been a resident of the State for one year next preceding the presentation of the petition, or, if the person is under the age of one year, that he was born in the State and that the parent in whose custody he is has been a resident of the State for the period of one year next preceding the presentation of the petition, the court may make an order that the person be committed to the Department of Mental Hygiene for placement in the Sonoma State Home or to the Pacific Colony and that he be received, maintained, and educated therein. The court, however, may commit an epileptic

or feeble-minded person who has been in the State less than one year for the purpose of transportation of such person to the state of his legal residence pursuant to Section 160. On the presentation of the order the superintendent of the institution to which the person is committed shall receive him therein, unless the institution is already full, or the fund available for its support is exhausted, or, in the opinion of the Department of Mental Hygiene, the epileptic or feeble-minded person is not a suitable subject for admission thereto.

SEC. 6. Section 5356 of said code is amended to read:

Payment of
expenses

5356. At the hearing the court shall inquire into the financial condition of the person committed or, if the person is a minor, of the parent, guardian, or other person charged with his support. If the court finds such person or persons able to do so in whole or in part, a further order shall be made requiring him or them to pay, to the extent the judge considers just, the expenses of the proceedings in connection with his commitment, and to pay to the county of which he is a bona fide resident, such sums as the court deems proper, during such time as the person committed remains in the hospital or on parole to a licensed home for the care of such person. The court shall make a further order requiring such person or persons to pay to the Department of Mental Hygiene the expense of delivery of the patient to the state hospital for placement in which he was committed, which shall be paid to and collected by the department and credited to the appropriation for transportation of patients.

The county auditor shall keep a record of such payments ordered to be made to the county, and shall receive, receipt for, and record such payments made, pay over such payments to the county treasurer, see that the persons ordered to make such payments comply with such orders, and report to the court any failure on the part of such persons to make such payments.

SEC. 7. Section 6601 of said code is amended to read:

Soldiers and
sailors

6601. The Department of Mental Hygiene may admit to any state hospital for the insane, if there is room therein, any insane soldier or sailor in the service of the United States on such terms as are agreed upon between the department and the properly authorized agents, officers, or representatives of the United States Government.

SEC. 8. Section 6620 of said code is amended to read:

Writ of
habeas
corpus

6620. Any person in custody as an insane or incompetent person is entitled to a writ of habeas corpus, upon a proper application made by the Department of Mental Hygiene, by such person, or by a relative or friend in his behalf to the judge of the superior court of the county in which the hospital is located. Upon the return of the writ, the fact of his insanity or incompetency shall be inquired into and determined. The medical history of the person as it appears in the clinical records shall be given in evidence, and the superintendent in charge of the state hospital wherein the person is held in custody and

any other person who has knowledge of the facts shall be sworn and shall testify relative to the mental condition of the person.

SEC. 9. Section 6659 of said code is amended to read:

6659. All moneys collected by the Department of Mental Hygiene under the provisions of Section 6652 for the cost and charges of transportation of an insane person or inebriate to a state hospital shall be remitted by the department to the State Treasury for credit to, and shall become a part of, the current appropriation from the General Fund of the State for the transportation of insane, correctional school, or other state hospital inmates and shall be available for expenditure for such purposes.

Disposition
of moneys

SEC. 10. Section 6700 of said code is amended to read:

6700. It shall be the policy of the department to make available to all persons committed to its jurisdiction all of the facilities under the control of the department. Whenever, in the opinion of the Director of Mental Hygiene, it appears that a person committed to the Department of Mental Hygiene for placement in a designated institution would be benefited by a transfer from that designated institution to another institution in the department, the director may cause the transfer of the patient or inmate from that institution to another institution under the jurisdiction of the department. Preference shall be given in any such transfer to an institution in an adjoining rather than a remote district.

Transfer
of persons
committed

However, before any inmate of a correctional school may be transferred to a state hospital for the insane, he shall first be returned to a court of competent jurisdiction, and, after hearing, may be committed to a state hospital for the insane in accordance with law.

The expense of such transfers is chargeable to the State, and the bills for the same, when approved by the Director of Mental Hygiene, shall be paid by the Treasurer on the warrant of the Controller, out of any moneys provided for the care or support of the inmates or out of the moneys provided for the support of the department, in the discretion of the department.

Expense

SEC. 11. Section 6703 of said code is amended to read:

6703. Whenever a person, committed to the Department of Mental Hygiene under one of the commitment laws providing for no reimbursement for care and treatment to the State by the county of commitment, is transferred under Section 6700, to an institution under the jurisdiction of the department where the county is required to reimburse the State for such care and treatment, the Department of Mental Hygiene may have the original commitment vacated and a new commitment issued, designating the institution to which the person has been transferred, in order to make the county liable for the care and treatment of the committed person to the extent provided by Sections 7009 and 7010 of the Welfare and Institutions Code.

Transfer
of costs

SEC. 12. Section 6733 of said code is amended to read:

Other
persons who
may be
discharged.

6733. The medical superintendent of a state hospital, on filing his written certificate with the Director of Mental Hygiene, may on his own motion, and shall on the order of the Department of Mental Hygiene, discharge any patient who comes within any of the following descriptions:

(a) Who is not insane.

(b) Who is not a proper case for treatment therein.

(c) Who is mentally deficient or is affected with chronic harmless mental illness.

Return to
county of
commit-
ment

Such person, when discharged, shall be returned to the county from which he was committed at the expense of such county. When such person is a poor and indigent person, he shall be delivered to the sheriff of the county who shall take the necessary steps for his care. Any such poor and indigent person shall be cared for by such county as are other indigent poor.

Indigent
persons

Recom-
mitment

No person who has been discharged from any state hospital under the provisions of subdivision (c) above shall be again committed to any state hospital for the insane unless permission for such recommitment is first obtained from the medical superintendent thereof. Such medical superintendent shall refuse to receive such person on such recommitment unless such permission is obtained.

CHAPTER 112

An act to amend Section 424 of the Government Code, relating to the official colors of the State.

In effect
September
7, 1955

[Approved by Governor April 11, 1955 Filed with
Secretary of State April 11, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 424 of the Government Code is amended to read:

424. The official colors of the State are blue and gold. The specifications, references, and designations for the official colors are as follows:

Specifications: National Bureau of Standards, Research Paper RP 1700.

International Commission on Illumination ·

Blue: Y 0.063 x 0.204 y 0.165

Gold: Y 0.449 x 0.474 y 0.458

Munsell Renotation:

Blue: H V/C 7.3 PB 2.9/8.8

Gold: H V/C 2.0 Y 7.1/11 3

Munsell Book Notation :

Blue: H V/C 7.2 PB 2.9/9.1

Gold: H V/C 1 Y 7.3/11

References: Textile Color Card Association of New York, Inc.

Blue: Yale Blue, cable number 70086, Standard Color Card of America, 9th edition.

Gold: Golden Yellow, cable number 65001, United States Army Card of Official Colors for Arms and Services.

Designations: Inter-Society Color Council-National Bureau of Standards.

Yale Blue: Strong purplish blue.

Golden Yellow: Strong yellowish orange.

CHAPTER 113

An act to add Section 3922.1 to, and to amend Section 3946 of, the Elections Code, relating to ballots.

[Approved by Governor April 12, 1955 Filed with
Secretary of State April 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3922.1 is added to the Elections Code, to read:

3922.1. On the partisan ballot immediately below the instructions to voters there shall be a box one-half inch high enclosed by a heavy ruled line the same as the border line. This box shall be as long as there are columns for the partisan ballot, and shall set directly above these columns. Within the box shall be printed in heavy faced gothic capital type of 24-point the words "Partisan Offices."

Ballots
Partisan and
nonpartisan
offices

The same style of box shall appear over the columns of the nonpartisan part of the ballot and within the box in the same style and point size of type shall be printed "Nonpartisan Offices."

SEC. 2. Section 3946 of said code is amended to read:

3946. Except as to the order of the names of candidates the ballot shall be printed in substantially the following form:

Form

(This number shall be torn off by inspector and handed to the voter)

6352

MARK CROSSES (X) ON BALLOT ONLY WITH RUBBER STAMP, NEVER WITH PEN OR PENCIL.
(ABSENTEE BALLOTS MAY BE MARKED WITH PEN AND INK OR PENCIL.)

PERFORATED LINE (Fold ballot to this perforated line, leaving top margin exposed)

OFFICIAL PRIMARY ELECTION BALLOT

REPUBLICAN PARTY

19th Congressional, 38th Senatorial, 45th Assembly District, June ..., 19...

To vote for a person whose name appears on the ballot, stamp a cross (X) in the square at the right of the name of the person for whom you desire to vote. To vote for a person whose name is not printed on the ballot, write his name in the blank space provided for that purpose. To vote on any measure, stamp a cross (X) in the voting square after the word "Yes," or after the word "No." All marks, except the cross (X) are forbidden. All distinguishing marks or erasures are forbidden and make the ballot void. If you wrongly stamp, tear or deface this ballot, return it to the inspector of election and obtain another. On absentee voter's ballots mark a cross (X) with pen or pencil.

6352
26 REPUBLICAN
PERFORATED LINE

PARTISAN OFFICES		NONPARTISAN OFFICES	
CONGRESSIONAL	COUNTY COMMITTEE	JUDICIAL	COUNTY
United States Senator Vote for One	Member County Central Committee Party Fifth Assembly District Vote for Seven	Judge of the Superior Court Office No. One Vote for One	District Attorney Vote for One
WILLIAM F. KNOWLAND Rep. United States Senator	IRVA M. SULLIVAN Incumbent	ELIAN W. FRICKER Judge of the Superior Court	ELI NEST ROLL District Attorney Los Angeles County
ROBERT D. ADAMS Rep. Rep. Estate	HOMER A. JONES SR. Incumbent	Judge of the Superior Court Office No. Two Vote for One	CLAUDE A. WATSON Attorney at Law
CLAYTON D. McEVINNON Dem. Congressman	RINO KARPEN Incumbent	SAMUEL R. BLAKE Judge of the Superior Court	
Representative in Congress Nineteenth District Vote for One	ETHEL M. COZEAN Incumbent	Judge of the Superior Court Office No. Three Vote for One	
CHRIST HOFFFIELD Dem. Member of Congress	FLOYD VINTON Attorney at Law	CLAYTON L. KINCAID Judge of the Superior Court	
CHRISTY J. NELSON Rep. Attorney at Law	CARL M. LOER Incumbent	Judge of the Superior Court Office No. Four Vote for One	
JOHN P. SHEFFIELD, Rep. Lawyer	RAYMOND A. KALTENBRACH Incumbent	THOMAS J. AMBROSE Judge of the Superior Court	
J. TYLER MABRY Rep. General Contractor	AUGUST P. COVIELLO Incumbent	Judge of the Superior Court Office No. Five Vote for One	
LEGISLATIVE	TIACY B. TOTTER Incumbent	CLARENCE M. HANSON Judge of the Superior Court	
Member of Assembly Fifty Fifth District Vote for One		Judge of the Superior Court Office No. Six Vote for One	
THOMAS J. DOYLE Dem. Assemblyman		ALLEN W. ASHURN Judge of the Superior Court	
FREDERICK (FRED) L. BOON Rep.		CHARLES B. MCGOTY Judge Municipal Court, Los Angeles Judicial District	
		Judge of the Superior Court Office No. Seven Vote for One	
		PHILBRICK W. HILGERS Judge of the Superior Court	
		Judge of the Superior Court Office No. Eight Vote for One	
		DANIEL STEVENSON Judge of the Superior Court	
		Judge of the Superior Court Office No. Nine Vote for One	
		PHILBRICK McFARLEY Judge of the Superior Court	
		Judge of the Superior Court Office No. Ten Vote for One	
		VICTOR R. HANSEN Judge of the Superior Court	
		Judge of the Superior Court Office No. Eleven Vote for One	
		LOUIS H. DUNKER Judge of the Superior Court	
		IDA MAY ADAMS Judge	

6352

(If a number shall be taken off by inspector and handed to the voter.)

6352

PERFORATED LINE

MARK CROSSES (X) ON BALLOT
ONLY WITH RUBBER STAMP,
NEVER WITH PEN OR PENCIL.
(ABSENTEE BALLOTS MAY BE MARKED
WITH PEN AND PENCIL.)
(Fold ballot to this perforated line leaving
perforated line top margin exposed.)

OFFICIAL PRIMARY ELECTION BALLOT NONPARTISAN BALLOT

18th Congressional, 38th Senatorial,
44th Assembly District, June . . . , 19 . . .

To vote for a person whose name appears on the ballot, stamp a cross (X) in the square at the right of the name of the person for whom you desire to vote. To vote for a person whose name is not printed on the ballot, write his name in the blank space provided for that purpose. To vote on any measure, stamp a cross (X) in the voting square after the word "Yes," or after the word "No." All marks, except the cross (X) are forbidden. All distinguishing marks or enclosures are forbidden and make the ballot void. If you wrongly stamp, tear or deface this ballot, return it to the inspector of election and obtain another. On absent voter's ballots mark a cross (X) with pen or pencil.

22 NONPARTISAN

PERFORATED LINE

JUDICIAL	COUNTY
Judge of the Superior Court Office No. One	District Attorney
PHAN W. FRICKER Judge of the Superior Court	ERNEST POLL District Attorney Los Angeles County
Judge of the Superior Court Office No. Two	CLAUDE A. WATSON Attorney at Law
SAMUEL P. BAKER Judge of the Superior Court	Supervisor Fourth District
Judge of the Superior Court Office No. Three	RAYMOND Y. DABBY Supervisor Fourth District Los Angeles County
CLARENCE L. KINCAID Judge of the Superior Court	GLEN W. ANDERSON Revenue Man
Judge of the Superior Court Office No. Four	GRATTON F. BIRKES Public Relations Counselor
THOMAS L. AMERBROOK Judge of the Superior Court	HAROLD HARRY Executive City of Los Angeles
Judge of the Superior Court Office No. Five	ARTHUR R. HILL Insurance Executive
CLARENCE M. HANSON Judge of the Superior Court	LEONARD J. MCWULLEN Auditor
Judge of the Superior Court Office No. Six	ERNEST A. STEWART Tax Economist
Judge of the Superior Court Office No. Seven	ALPH WHITE Automobile Dealer
Judge of the Superior Court Office No. Eight	
DANIEL M. STEVENS Judge of the Superior Court	
Judge of the Superior Court Office No. Nine	
PHILBRICK MCLOY Judge of the Superior Court	
Judge of the Superior Court Office No. Ten	
VICTOR R. HANSEN Judge of the Superior Court	
Judge of the Superior Court Office No. Eleven	
LOUIS E. BURK III Judge of the Superior Court	
IDA MAY ADAMS Judge	

CHAPTER 114

An act to amend Section 1812 of the Education Code, relating to school district elections.

In effect
September
7, 1955

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1812 of the Education Code is amended to read:

1812. The county superintendent of schools of each county at the time the governing board of any school district under his jurisdiction calls any election, shall in writing officially request the county clerk or registrar of voters of each county or city and county within which the school district is situated to furnish the governing board of the district with as many copies as may be needed, not exceeding four, of the index of the registration book for each precinct in the county or city and county contained in whole or in part in the school district, up to and including 54 days prior to the election.

Upon receipt of the request, at least 40 days before the election, the county clerk or registrar of voters shall forward to the clerk or secretary of the governing board the number of copies of the index requested. Copies of the index shall be supplied from any available copies in the custody of the county clerk or registrar of voters. If no copies are available, copies of the index of the registration book or any supplements thereto, shall be prepared by the county clerk or registrar of voters. The actual expense of the preparation of the index shall be a charge against the school district requiring the index.

CHAPTER 115

An act to amend Sections 14258.5, 14540 and 14813 of the Health and Safety Code, relating to fire protection districts.

In effect
September
7, 1955

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14258.5 of the Health and Safety Code is amended to read:

Withdrawal

14258.5. Whenever any portion of a district is included within a city by reason of incorporation, annexation, or otherwise, such portion may be withdrawn from the district. Such withdrawal shall be effective upon the filing with the State Board of Equalization, the governing body of the district, the county clerk or registrar of voters, and the county assessor, of copies of a resolution of the legislative body of the city, describing the included portion, and declaring such portion withdrawn.

SEC. 2. Section 14540 of said code is amended to read:

14540. Whenever any portion of a district is included within a city by reason of incorporation, annexation, or otherwise, such portion may be withdrawn from the district. Such withdrawal shall be effective upon the filing with the State Board of Equalization, the governing body of the district, the county clerk or registrar of voters, and the county assessor, of copies of a resolution of the legislative body of the city, describing the included portion, and declaring such portion withdrawn.

SEC. 3. Section 14813 of said code is amended to read:

14813. Whenever any portion of a district is included within a city by reason of incorporation, annexation, or otherwise, such portion may be withdrawn from the district. Such withdrawal shall be effective upon the filing with the State Board of Equalization, the governing body of the district, the county clerk or registrar of voters, and the county assessor, of copies of a resolution of the legislative body of the city, describing the included portion, and declaring such portion withdrawn.

CHAPTER 116

An act to amend Section 4.1 of the Municipal Water District Act of 1911 (Chapter 671, Statutes of 1911), relating to municipal water districts.

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4.1 of the Municipal Water District Act of 1911 is amended to read:

Sec. 4.1. If, on the sixty-fifth day prior to the day fixed for the district general election, only one person has been nominated for each office of member of the board of directors to be filled at that election, said board of directors shall by resolution entered in their minutes order that an election shall not be held, and shall immediately request that the board of supervisors of the county in which the district, or a greater portion thereof, is situated at a regular or special meeting held prior to the day of election, appoint, and the board of supervisors shall thereupon appoint, to the office or offices the person or persons who have been nominated. The person appointed shall qualify and take office and serve exactly as if elected at a district general election.

In such case, the publication provided for in Division 5, Chapter 2, Article 6 of the Elections Code shall, instead of calling an election, state that no election is to be held but that the board of supervisors will appoint those nominated for the positions of directors.

CHAPTER 117

An act to amend Section 12516, the Business and Professions Code, relating to weighing devices.

In effect
September
7, 1955

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12516 of the Business and Professions Code is amended to read:

12516. It shall be unlawful for any person to locate or position any scale used in connection with the auctioning of livestock so that its indications are not readily and clearly readable to the buyer and seller, unless a state certificate of weights and measures, made at the time of weighing, attesting to the weight of the livestock, is issued upon request to the buyer and seller.

CHAPTER 118

An act to amend Section 5371 of the Streets and Highways Code, relating to special assessment proceedings under the Improvement Act of 1911.

In effect
September
7 1955

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5371 of the Streets and Highways Code is amended to read:

5371. To the assessment shall be attached a warrant, which shall be signed by the superintendent of streets, and countersigned by the mayor or the city clerk. The warrant shall be substantially in the following form:

By virtue hereof, I (name of the superintendent of streets), of the City of _____, County of _____ (or County or City and County of _____), State of California, by virtue of the authority vested in me as said superintendent of streets, do authorize and empower (name of contractor) (his or their) agents or assigns, to demand and receive, the several assessments upon the assessment and diagram hereto attached and this shall be (his or their) warrant for the same.

Date: _____

(Name of superintendent of streets)

Countersigned by (name of mayor or city clerk).

CHAPTER 119

An act to amend Sections 14405, 14454, and 14501 of the Financial Code, relating to directors and other officials of credit unions.

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 14405 of the Financial Code is amended to read:

14405. No member of the board of directors shall receive any compensation for his services as a member of the board except for actual expenses incurred in the performance of his duties.

SEC. 2. Section 14454 of said code is amended to read:

14454. No member of the supervisory committee shall receive any compensation for his services as a member of the supervisory committee, except for actual expenses incurred in the performance of his duties, or serve as a member of the credit committee or board of directors of the credit union.

SEC. 3. Section 14501 of said code is amended to read:

14501. No member of the credit committee shall receive any compensation for his services as a member of the credit committee, except for actual expenses incurred in the performance of his duties, or serve as a member of the supervisory committee.

CHAPTER 120

An act to amend Section 13661 of the Government Code, relating to distribution of state publications.

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13661 of the Government Code is amended to read:

13661. To the end that the policy specified in Section 13660 may be effectively carried out, the Department of Finance shall provide for and the State Printer shall print one hundred seventy-five (175) copies of each state publication for deposit in a "library stock room" (to be maintained by the State Printer for that purpose) for distribution to libraries as hereinafter provided, except that of legislative bills, journals, and histories, only fifty (50) copies shall be printed for such deposit and distribution, and of publications not printed by the State Printer, the department, commission or other agency concerned shall print fifty (50) copies for such distribution. An additional two (2) copies of each state publication

as selected by the State Archivist shall be printed and delivered to the State Archivist by the State Printer or the department, commission, or other agency concerned, and all remaining copies in excess of two (2) copies heretofore received shall be distributed to interested parties without charge or destroyed.

CHAPTER 121

An act to add Section 64.1 to the Vehicle Code, relating to the definition of traffic officer.

In effect
September
7, 1955

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 64.1 is added to the Vehicle Code, to read:

64.1. "Traffic Officer." "Traffic officer" means any member of the California Highway Patrol and any peace officer who is on duty for the exclusive or main purpose of enforcing the provisions of Division 9 of this code.

CHAPTER 122

An act to add Section 80 to Chapter 3 of Division 1 of the Vehicle Code, relating to the definition of traffic.

In effect
September
7, 1955

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 80 is added to Chapter 3 of Division 1 of the Vehicle Code, to read:

80. "Traffic." The term "traffic" shall include pedestrians, ridden animals, vehicles, street cars, and other conveyances either singly or together, while using any highway for purposes of travel.

CHAPTER 123

An act to add Section 92 to the Vehicle Code, relating to the definition of official traffic control device and signal.

In effect
September
7, 1955

[Approved by Governor April 12, 1955. Filed with
Secretary of State April 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 92 is added to the Vehicle Code, to read:

92. "Official Traffic Control Device" and "Official Traffic Control Signal." (a) "Official traffic control device" means any sign, signal, marking or device not inconsistent with this code, placed or erected by authority of a public body or official having jurisdiction, for the purpose of regulating, warning or guiding traffic.

(b) "Official traffic control signal" means any device, whether manually, electrically or mechanically operated, by which traffic is alternately directed to stop and proceed and which is erected by authority of a public body or official having jurisdiction.

CHAPTER 124

An act relating to the holding of winter Olympic games in California, creating the California Olympic Commission, describing the powers and duties thereof, and making an appropriation therefor.

[Approved by Governor April 13, 1955 Filed with
Secretary of State April 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The purpose of this act is to provide funds Purpose
for use in connection with the holding and staging of the winter Olympic games in California in 1960; to provide facilities for the same; to encourage and assist the participation therein by persons from all parts of the world; to establish a commission to represent the State of California in carrying out this purpose, and to cooperate to the fullest extent therein with the Government of the United States and with other persons, corporations, and agencies, and to engage in such activities as may be necessary or desirable to make the holding of said winter Olympic games in California a success.

SEC. 2. For the purposes of this act, there is hereby created in the State Government the California Olympic Commission, hereinafter designated as the commission, consisting of five members, who shall be appointed by the Governor. All vacancies shall be filled by appointment of the Governor. The members of the commission shall select one of their members to serve as a chairman, who shall hold office as chairman at the pleasure of the commission. Three members of the commission shall constitute a quorum for the transaction of business. California
Olympic
Commission
Establishment

SEC. 3. The commission shall adopt a seal having thereon Seal
the words "California Olympic Commission of the State of California," and shall file with the State Controller and the State Treasurer a certificate of such seal, and all signatures of persons authorized by the commission to sign contracts, claims, and other documents on behalf of the commission.

SEC. 4. The commission shall have such powers and duties Powers
and duties
including, but not limited to, those hereafter set forth, and may expend such money as it may receive and so much of the

money herein appropriated as may be necessary to carry out the purposes of this act. The commission, subject to civil service, may appoint and employ a secretary, executive officers, and such other assistants and persons as it may deem necessary. Members of the commission shall serve without compensation but shall receive their actual traveling expenses.

Same Con-
tracts, etc.

SEC. 5. The commission shall have power to make and execute all contracts and agreements necessary to the business of the commission or to carry out the purposes of this act. All contracts, made by the commission, shall be executed in triplicate, signed by the chairman thereof and executed under the seal of the commission, and one copy thereof shall be immediately filed with the State Controller. No contract or agreement shall be made by the commission unless the parties thereto shall waive therein all claims and recourse against the State of California for loss or damage of person or property arising from, growing out of, or in any way connected with or incident to such contract or agreement, and all contracts or agreements made by the commission in violation of this provision shall be void.

Expenditures

SEC. 6. The commission, through the chairman or such other officer as it shall authorize, shall certify claims and demands for the expenditure of money, substantiated by vouchers and itemized statements, to the State Controller who shall make such audit as may be necessary and draw his warrants therefor upon the State Treasury.

Books of
account

SEC. 7. The commission shall ask and demand that in the expenditure of any money in connection or conjunction with the money herein appropriated, proper books of account shall be kept and maintained and an appropriate accounting system shall be established as will enable a person of ordinary understanding, from the inspection thereof, to determine the source and amount of all income and moneys received and the exact purpose in detail for which expenditures are made or money paid. Said books of account shall be open for inspection by any authorized representative of the commission, the Department of Finance, or the State Controller.

Liability:
State of
California

SEC. 8. The State of California shall not in any manner or under any circumstances be liable for any of the acts, doings or proceedings of any person, association or corporation with which the commission shall act, cooperate, or join to carry out the purposes of this act, nor for the services, salary, labor or wages of any officers, agents, servants or employees of such person, association or corporation, nor for any debts, liabilities or expenses of any kind whatsoever of such person, association or corporation; provided, however, that the commission may, in its discretion, employ the same persons, servants, agents or officers that may be employed by such person, association or corporation with which the commission shall act, cooperate and join to carry out the purposes of this act, and contribute to pay the whole or any part of their compensation.

SEC. 9. No member of the commission, or employee thereunder, or any officers thereof, shall be personally liable for any debts or obligations, or liability that may be created or incurred by the commission or by the State of California, acting by or through the commission. Neither the commission nor any member thereof shall be liable in damages for the negligence, default or wrongful act of any of the agents, servants or employees of the commission.

Commission
members.
etc

SEC. 10. The commission may execute contracts, hold property, and sue in its own name as California Olympic Commission of the State of California. The provisions of Chapter 3, Part 1, Division 4, Title 2 of the Government Code shall not apply to any claim for negligence of the commissioners.

Power to
contract,
hold prop-
erty, etc

SEC. 11. The commission shall, on the first day of August of each year, file with the State Controller a financial statement under the seal of the commission, and verified by the members thereof, which statement shall show in detail the disposition of all moneys expended by it and to whom the same were paid, all expenditures contracted by it, all amounts paid thereon, and the balance due, if any, and shall file with such financial statement a report of all proceedings of the commission, the work accomplished by it, and plans proposed and the status of all matters under or in connection with the work of the commission and the funds herein appropriated during the preceding fiscal year. From any revenues received by the commission which remain unexpended upon completion of the work of the commission the commission shall pay into the State Treasury for credit to the fund from which the appropriation herein contained is made, an amount equal to the appropriation herein made, plus 3 percent interest per annum, for the period any such money appropriated has been withdrawn from the Treasury. Upon completion of all work by the commission, it shall render a full complete and final report, and file the same with the State Controller, and deposit with the State Treasurer any remaining revenues.

Financial
statement

SEC. 12. All claims and demands arising under or in consequence of any contract or agreement made by the commission, and all expenditures authorized by it, shall be exempt from the provisions of Section 14370 of the Government Code.

Exemption

SEC. 13. There is hereby appropriated to the commission, out of any money in the State Park Fund in the State Treasury, the sum of one million dollars (\$1,000,000), or so much thereof as is necessary, to be expended without regard to fiscal years, by the commission to carry out the purposes of this act in connection with the winter Olympic games of 1960.

Appro-
priation

SEC. 14. This act shall become operative at such time as the winter Olympic games of 1960 are awarded to a place in California by the International Olympic Committee.

Operative
date

CHAPTER 125

An act to add Article 5, comprising Sections 11628, 11629, and 11629.5, to Chapter 1, Part 3, Division 2, of the Insurance Code, relating to insurance.

In effect
September
7, 1955

[Approved by Governor April 13, 1955 Filed with
Secretary of State April 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 5, comprising Sections 11628, 11629, and 11629.5, is added to Chapter 1 of Part 3, Division 2 of the Insurance Code, to read:

Article 5. Motor Vehicle Liability Insurance

Refusal,
etc., of
application

11628. No admitted insurer, licensed to issue motor vehicle liability policies as defined in Section 415 of the Vehicle Code shall fail or refuse to accept an application for such insurance, to issue such insurance to an applicant therefor, or issue such insurance under conditions less favorable to the insured than in other comparable cases, except for reasons applicable alike to persons of every race or color; nor shall race or color of itself constitute a condition or risk for which a higher rate, premiums, or charge may be required of the insured for such insurance.

Damages

11629 Each separate act of an insurer or its agent in violation of Section 11628 shall render the insurer liable in damages in the amount of one hundred dollars (\$100), plus a reasonable allowance for attorneys' fees incurred in connection with the prosecution of the action, which may be recovered in an action at law brought for that purpose by the person aggrieved by any such act.

Additional
damages

11629.5. Any insurer which has refused to issue to an applicant a policy of insurance in violation of Section 11628 of this code and which has been required to pay damages for the violation pursuant to Section 11629 shall pay as additional damages the amount by which the rates which the applicant found it necessary to pay to obtain other insurance exceed the rates of the insurer.

CHAPTER 126

An act to add Section 6386 to the Revenue and Taxation Code, relating to exemptions from the sales and use taxes, to take effect immediately.

In effect
immediately

[Approved by Governor April 13, 1955 Filed with
Secretary of State April 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 6386 is added to the Revenue and Taxation Code, to read:

6386. There are exempted from the computation of the amount of the sales tax the gross receipts from the sale in this State of tangible personal property to a holder of a valid seller's permit issued under Section 6068 when the property is used by the purchaser outside of this State in his performance of a contract to improve real property and, as a result of such use, is incorporated into and becomes a part of real property located outside of this State. This exemption shall apply only if the purchaser certifies in writing to the seller, in such form as the board may prescribe, that the property will be used in a manner and for a purpose herein specified.

SEC. 2. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 127

An act to amend Section 530.5 of the Vehicle Code, relating to the operation of motor vehicles on the highways.

[Approved by Governor April 13, 1955 Filed with
Secretary of State April 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 530.5 of the Vehicle Code is hereby amended to read as follows:

530.5. Overtaking and Passing Prohibited Upon Grades In the event any vehicle is being operated on any grade outside of a business or residence district at a speed less than 20 miles per hour no person operating any other motor vehicle shall attempt to overtake and pass such slow moving vehicle unless the overtaking vehicle is operated at a speed of at least 10 miles per hour in excess of the speed of the overtaken vehicle, nor unless the passing movement is completed within a total distance not greater than one-quarter of a mile.

CHAPTER 128

An act to amend Section 525.3 of the Vehicle Code, relating to the operation of motor vehicles on the highways.

[Approved by Governor April 13, 1955 Filed with
Secretary of State April 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 525.3 of the Vehicle Code is hereby amended as follows:

525.3. Certain Vehicles to Be Driven in Right Hand Lane When any vehicle included in Section 515 is being driven on any highway, it shall be driven in the right hand lane for

traffic or as close as practicable to the right edge or curb, except when overtaking and passing another vehicle proceeding in the same direction or when preparing for a left turn at an intersection or into a private road or driveway. Vehicles included in this section when overtaking and passing another vehicle shall use the lane to the immediate left of the right hand lane for traffic, except when overtaking and passing to the right of another vehicle as permitted under the provisions of this code.

CHAPTER 129

An act to amend Sections 19533 and 19539 of, to repeal Section 19539.5 of, and to add Sections 19535 and 19539.5 to, the Business and Professions Code, relating to horse racing.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19533 of the Business and Professions Code is amended to read:

Licenses

19533. No license shall be granted to conduct a horse race meeting upon a track less than one mile in circumference or length, to any applicant except to a county fair, district agricultural association or quarter horse racing associations.

The period for which licenses may be issued to county fairs and district agricultural associations in counties and areas of the first, second, and second and one-half classes shall not in any such county or area exceed 14 racing days and such days shall not diminish the number of racing days per year permitted to be allowed to other racing associations under this article.

SEC. 2. Section 19535 is added to said code, to read:

Racing days

19535. Racing days allowed pursuant to Sections 19531, 19532, 19532.5, the second paragraph of Section 19534, and Section 19538, and racing days allowed under the foregoing sections of this article to state, county, or district agricultural association fairs may be allowed for such types of racing (including running or thoroughbred racing, harness racing, or quarter horse racing) as may be approved by the board and the provisions of Sections 19490 and 19564 shall not be affected by this section. Except as heretofore authorized in this section racing days for harness racing shall be allowed only under Section 19539 and racing days for quarter horse racing shall be allowed only under Section 19539.5.

SEC. 3. Section 19539 of said code is amended to read:

Harness
racing

19539. The board may allow not to exceed a total of 100 days for harness racing only, except that at such harness meetings, the licensee may run one or more quarter horse races as approved by the board. Fifty of said 100 days shall be allocated to licensed racing associations conducting horse racing

meetings south of the sixth standard parallel south, Mount Diablo Base and Meridian, and the remainder to licensed racing associations conducting such meetings north of said standard parallel.

SEC. 4. Section 19539.5 of said code is repealed.

Repeal

SEC. 5. Section 19539.5 is added to said code, to read:

19539.5. The board may allow not to exceed a total of 100 days for quarter horse racing only. Fifty of said 100 days shall be allocated to licensed racing associations conducting horse racing meetings south of the sixth standard parallel south, Mount Diablo Base and Meridian, and the remainder to licensed racing associations conducting such meetings north of said standard parallel. No quarter horse racing meeting, including any charity days allowed during the meeting, shall, in any one county, in any one year, extend over a total period of more than seven weeks of seven consecutive days each. Such a meeting may be for consecutive racing days or split into not more than two periods and if split into two periods the periods may be separated by any number of days or weeks.

Quarter
horse racing

CHAPTER 130

An act to amend Section 1542 of the Financial Code, relating to securities eligible for deposit with State Treasurer by trust companies.

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1542 of the Financial Code is amended to read:

1542. Security deposited with the State Treasurer by trust companies pursuant to Section 1540 or 1541 shall consist of the following:

(a) Bonds or other interest-bearing notes or obligations of the United States or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(b) Bonds of the State of California or those for which the faith and credit of the State of California are pledged for the payment of principal and interest or in registered warrants of the State of California.

(c) Bonds and revenue securities of any city, county, city and county, political subdivision, public corporation, or district of the State of California (herein referred to generally as "public corporations"), and of any department, board, agency, or authority of any such public corporation, which qualify as an investment for the funds of savings banks under the provisions of Article 1 of Chapter 11 of this division.

(d) Bonds of any state of the United States which qualify as an investment for the funds of savings banks under the provisions of Article 1 of Chapter 11 of this division.

(e) Loans secured by a first lien on real property and otherwise complying with the provisions of subdivision (a) of Section 1413 of this code

CHAPTER 131

An act to add Section 8159.2 to the Education Code, relating to the maintenance of automobile driver training classes.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 8159.2 is added to the Education Code, to read:

8159.2. The governing board of any school district authorized to maintain automobile driver training classes may maintain such classes on Saturday.

CHAPTER 132

An act to amend Section 697 of the Vehicle Code, relating to height and length of vehicles.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 697 of the Vehicle Code is amended to read:

697. Height and Length of Vehicles. (a) No vehicle or any load upon a vehicle shall exceed a height of 13 feet 6 inches measured from the surface upon which the vehicle stands.

(b) No vehicle shall exceed a length of 35 feet, except that a semitrailer meeting all of the requirements in this section may be of a length not to exceed 40 feet.

Semitrailers over 35 feet in length shall not exceed 32 feet from the center of the turning axis (kingpin) to the center of the rearmost axle, and no portion of such semitrailer or its body or load forward of the turning axis shall project to a greater distance than a 60-inch radius from the center of said turning axis.

(c) No combination of vehicles coupled together shall exceed a total length of 60 feet.

(d) Any extension or device used to increase the carrying capacity of a vehicle shall be included in measuring the length

of such vehicle; provided, that a drawbar shall not be included in measuring the length of a vehicle but shall be included in measuring the over-all length of a combination of vehicles.

CHAPTER 133

An act to amend Section 364.1 of the Agricultural Code, relating to public sales yards for the sale of cattle.

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 364.1 of the Agricultural Code is amended to read:

364.1. The bureau shall grant to every applicant who complies with the provisions of this article and the rules and regulations promulgated for its enforcement, a separate license to operate each sales yard for the balance of the current calendar year upon the payment of a fee of one hundred dollars (\$100) for each such sales yard. Stockyards posted by the United States Department of Agriculture under the Packers and Stockyards Act are exempt from the license provisions of this article.

A permit shall be granted by the bureau to change the address or location of a previously licensed sales yard. No additional license fee or bond shall be collected for issuing a permit to change the address or location.

CHAPTER 134

An act to amend Section 6860 of the Government Code, Section 1360 of the Financial Code and Section 1179 of the Insurance Code and to add Section 1209 to the Financial Code, relating to authorized investments for all public and private funds and their use as security for the performance of any act.

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6860 of the Government Code is amended to read:

6860. Notwithstanding any restrictions on investments contained in any laws, farm loan bonds, consolidated farm loan bonds, collateral trust debentures, consolidated debentures, or other obligations issued under the Federal Farm Loan Act approved July 17, 1916, as amended (Title 12 U. S. C. Lawful investments

Sections 636 to 1012 inclusive, and Sections 1021 to 1129 inclusive), and the Farm Credit Act of 1933, as amended (Title 12 U. S. C. Sections 1131 to 1138f inclusive), are a lawful investment for all public funds, including but not limited to all funds of the State and of every local agency as defined by Section 53600 of this code, and for the funds of savings banks, insurance companies, executors, administrators, guardians, receivers, and trustees of every kind and nature. Whenever any bonds may by law be used as security for the performance of any act, such bonds and debentures may be so used. This section applies to farm loan bonds and consolidated farm loan bonds issued by federal land banks, consolidated collateral trust debentures and all other debentures issued by federal intermediate credit banks, debentures issued by the Central Bank for Cooperatives and consolidated debentures issued by banks for cooperatives. It is the purpose of this section to authorize any person, political subdivision, body, or officer, public or private, to use any funds owned or controlled by him or it, including sinking, insurance, investment, retirement, compensation, pension, and trust funds, and funds held on deposit, for the purchase of any such bonds, debentures, or other obligations. Nothing in this section relieves any person from any duty of exercising reasonable care in selecting securities.

SEC. 2. Section 1360 of the Financial Code is amended to read:

Federal
bank bonds

1360. An amount not exceeding in all 5 percent of the bank's savings deposits in bonds, consolidated bonds, collateral trust debentures, consolidated debentures, or other obligations issued by federal land banks or federal intermediate credit banks established under the Federal Farm Loan Act, as amended, in debentures and consolidated debentures issued by the Central Bank for Cooperatives and banks for cooperatives established under the Farm Credit Act of 1933, as amended, in bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act, in stock, bonds, debentures and other obligations of the Federal National Mortgage Association established under the National Housing Act as amended, and in the bonds of any federal home loan bank established under said act; provided:

Conditions

(a) An amount exceeding 25 percent of the paid-up capital and surplus of the savings bank or exceeding 1 percent of the bank's savings deposits, whichever is greater, may not be invested in the bonds of any one federal land bank, in the consolidated bonds of federal land banks, in the debentures of any one federal intermediate credit bank, in the consolidated debentures of federal intermediate credit banks, in the debentures of the Central Bank for Cooperatives, in the consolidated debentures of banks for cooperatives, in the bonds or debentures of the Federal Home Loan Bank Board, or in the bonds of any one federal home loan bank.

SEC. 3. Section 1179 of the Insurance Code is amended to read:

1179. Such insurers may invest in farm loan bonds, consolidated farm loan bonds, collateral trust debentures, consolidated debentures, or other obligations issued under the Federal Farm Loan Act, approved July 17, 1916, as amended (Title 12 U.S.C. Sections 636 to 1012 inclusive, and Sections 1021 to 1129 inclusive), and the Farm Credit Act of 1933, as amended (Title 12 U.S.C. Sections 1131 to 1138f inclusive). Under this section such insurers may invest in farm loan bonds and consolidated farm loan bonds issued by federal land banks, consolidated collateral trust debentures and all other debentures issued by federal intermediate credit banks, debentures issued by the Central Bank for Cooperatives and consolidated debentures issued by banks for cooperatives. Investments
Insurers

SEC. 4. Section 1209 is added to the Financial Code, to read:

1209. A commercial bank may invest in stock, bonds, debentures and other obligations of the Federal National Mortgage Association established under the National Housing Act as amended; provided, that such investments shall not exceed 5 percent of its assets. Commercial
banks

CHAPTER 135

An act to amend Sections 16000 and 16002 of the Financial Code, relating to credit union charges and assessments.

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 16000 of the Financial Code is amended to read:

16000. To defray the costs of administration of this division, including examinations and supervision, the commissioner shall require every credit union licensed by him or coming under his supervision to pay in advance to him for the ensuing year charges and assessments in accordance with the following schedule:

Total assets of credit union	Amount of assessment
Assets of \$1,000 or less	\$20.00
Over \$1,000, but not more than \$50,000	\$20.00 plus \$2.00 per \$1,000 of assets in excess of \$1,000.
Over \$50,000, but not more than \$150,000	118.00 plus \$1.75 per \$1,000 of assets in excess of \$50,000.
Over \$150,000, but not more than \$300,000	293.00 plus \$1.50 per \$1,000 of assets in excess of \$150,000.
Over \$300,000, but not more than \$500,000	518.00 plus \$1.00 per \$1,000 of assets in excess of \$300,000.

Total assets of credit union	Amount of assessment
Over \$500,000, but not more than \$750,000	718.00 plus \$0.50 per \$1,000 of assets in excess of \$500,000.
Over \$750,000	843.00 plus \$0.25 per \$1,000 of assets in excess of \$750,000.

SEC. 2. Section 16002 of said code is amended to read:

16002. If the commissioner determines that the charges and assessments set forth in this division for any year are in excess of the amount necessary, or are insufficient, to meet the expenses of administration of this division, including examinations and supervision, for that year, the assessments and charges for the following year shall be adjusted on a pro rata basis in accordance with the percentage of such excess or insufficiency as related to the actual charges and assessments for the year for which such excess or insufficiency occurred, in order to recover the actual costs of administration.

CHAPTER 136

An act to amend Section 13042 of, and to add Section 13043 to, the Education Code, relating to qualifications for teachers.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13042 of the Education Code is amended to read:

13042. The qualifications of a home teacher shall be a valid kindergarten-primary, elementary, or secondary certificate to teach in the schools of the State and special fitness to perform the duties of a home teacher.

SEC. 2. Section 13043 is added to said code, to read:

13043. The qualifications of a home instructor of physically handicapped pupils shall be a valid kindergarten-primary, elementary, or secondary certificate to teach in the schools of the State.

CHAPTER 137

An act to amend Section 577 of the Vehicle Code, relating to the stopping of vehicles.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 577 of the Vehicle Code is amended to read:

577. Vehicles Must Stop at Through Highways. The driver of any vehicle upon approaching any entrance of a highway or intersection, or railroad grade crossing, signposted with a stop sign as provided in this code, except as otherwise permitted or directed in this code, shall stop:

(a) At a limit line, if marked, otherwise before entering the crosswalk on the near side of the intersection or, if none, then before entering such highway or intersection, or

(b) Before entering a highway railroad grade crossing.

CHAPTER 138

An act to add Section 217 to the Vehicle Code, relating to reciprocity with respect to the privileges of persons owning vehicles registered elsewhere than in this State, declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 217 is added to the Vehicle Code, to read:

217. Exemptions in Effect January 1, 1955. Any vehicle described in Section 215 or 216 which on January 1, 1955, was considered exempt from registration and the payment of fees imposed by this Vehicle Code or by the Vehicle License Fee Law in this State, shall be considered to be so exempted, except as the reciprocal privileges herein continued may hereafter be affected by revision of the laws of this State or any other state, District of Columbia, territory, province or country, irrespective of any determination made after January 1, 1955, that any such vehicle was not so exempted under the provisions of Section 215 or 216.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

A recent determination by the Attorney General has cast doubt upon the privilege of persons owning vehicles registered elsewhere than in this State to be exempted upon a reciprocal basis from the requirement of registration and the payment of fees prescribed by the Vehicle Code and the Vehicle License Fee Law of this State. To avoid disruption in the interstate movement of vehicles and of trade, and to prevent needless confusion as to the registration and fee requirements both in this State and in other states, it is therefore necessary that this act take effect immediately.

CHAPTER 139

An act to add Section 13203.5 to the Education Code, relating to automobile allowances to school district employees.

In effect
September
7, 1955

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 13203.5 is added to the Education Code, to read:

13203.5. The governing board of any school district may provide for the reimbursement of employees of the district for the use of automobiles owned by the employees and used in the performance of regularly assigned duties, by establishing an allowance for such use on a mileage or monthly basis.

CHAPTER 140

An act to amend Section 29747 of the Government Code, relating to claims allowed by county auditor.

In effect
September
7, 1955

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 29747 of the Government Code is amended to read:

29747. The auditor shall prepare duplicate lists of all claims he allows, showing as to each claim: date allowed, warrant number, name of claimant, and amount allowed. He shall certify that the lists are correct, file one copy in the office of the board and preserve the other or a photographic copy thereof in his own office. As to such claims the lists constitute, respectively, the allowance book and the warrant book.

CHAPTER 141

An act to amend Section 29746 of the Government Code, relating to the transmittal of claims rejected by the auditor.

In effect
September
7, 1955

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 29746 of the Government Code is amended to read:

29746. At least once each week the auditor shall transmit to the board reports of all claims rejected by him and not previously reported, showing, as to each claim: Date, name of claimant, amount, and reason for rejection.

CHAPTER 142

An act to amend Section 29712 of the Government Code, relating to submission and payment of claims.

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 29712 of the Government Code is amended to read:

29712. In order to meet the needs of the particular county, the board may adopt a different form or forms for the submission and payment of claims, and may prescribe and adopt warrant forms separate from claim forms, to the end that the approved claims may be permanently retained in the auditor's office as vouchers supporting the warrants issued. It may prescribe a different procedure for the allowance and payment of claims but the form of claim so adopted shall provide:

(a) For the approval of the officer directing the expenditure. In counties having a system under which expenditures may be initiated by requisition, the approval may be omitted from claims initiated by requisition.

(b) For the approval of the purchasing agent or other officers issuing the purchase order under which the charge was incurred, or having charge of contracts or schedules of salaries under which the claim arose.

(c) For the approval of at least one member of the board. In lieu of the supervisor's approval on each claim there may be substituted duplicate lists of claims allowed, showing, as to each claim, the name of the claimant, the amount allowed, and the date of allowance. The lists shall be certified to by the clerk of the board or other competent officer or employee designated by it for the purpose, as being a true list of claims properly and regularly coming before the board. Upon allowance of claims each of the lists, after amendment if necessary, shall be certified to as having been allowed by the board, the date allowed, and that such lists are correct by one member of the board or by the clerk of the board and filed, one in the office of the clerk of the board and one in the office of the auditor. When filed the lists constitute respectively the "allowance book" and the "warrant book."

(d) For the certificate of the clerk of the board as to the date and amount of allowance of the claim by the board. If the duplicate lists of claims allowed are filed, the certificate may be omitted, but in its stead there shall appear on each claim a reference by date, number, or otherwise to the list on which the claim appears listed or allowed.

(e) For the certificate of the clerk of the board or of the auditor as to the correctness of the computations.

(f) For the auditor's approval.

CHAPTER 143

An act to amend Section 25350 of the Government Code, relating to the purchase of real property requiring the publication of a notice of intention.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 25350 of the Government Code is amended to read:

25350. No purchase of real property, including any water right or other interest therein, of which the purchase price is in excess of two thousand dollars (\$2,000) shall be made unless a notice of the intention of the board of supervisors to make the purchase is published for at least three weeks prior to the purchase in a newspaper of general circulation published in the county. If no newspaper is published in the county, the notice shall be posted at least three weeks prior to the time the board meets to consummate the purchase in at least three public places in each supervisorial district. The notice shall contain a description of the property proposed to be purchased, the price, the vendor, and a statement of the time the board will meet to consummate the purchase.

CHAPTER 144

An act to amend Section 29323 of the Government Code, relating to revolving fund bonds.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 29323 of the Government Code is amended to read:

29323. Before any money is withdrawn from the county treasury to be placed in the revolving fund, the officer for whose use the fund is created shall file with the clerk of the board of supervisors a bond executed by himself as principal and by an admitted surety insurer, in an amount equal to that of the revolving fund. The bond shall be conditioned upon the faithful administration of the fund and upon the willingness and ability of the principal to account for and pay over the fund upon demand of the board of supervisors at any time.

As an alternative, the board of supervisors may, upon adopting the resolution creating the fund, determine that the official bond of an officer required by law to furnish such bond or the schedule or position bond covering officers not required

by law to furnish an official bond shall be in lieu of the surety bond otherwise required by this section.

CHAPTER 145

An act to amend Section 73 of the Streets and Highways Code, relating to the relinquishment of state highways or portions thereof.

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 73 of the Streets and Highways Code is amended to read:

73. The commission shall relinquish to any county or city any portion of any state highway within such county or city which has been deleted from the State Highway System by legislative enactment, and such relinquishment shall become effective upon the first day of the next calendar or fiscal year, whichever first occurs after the effective date of such legislative enactment. It may likewise relinquish any portion of any state highway which has been superseded by relocation. Whenever the department and the county or city concerned have entered into an agreement providing therefor, or the legislative body of such county or city has adopted a resolution consenting thereto, the commission may relinquish, to any such county or city, any frontage or service road or outer highway, within the territorial limits of such county or city, which has a right of way of at least forty (40) feet in width and which has been constructed as a part of a state highway or freeway project, but does not constitute a part of the main traveled roadway thereof.

Relinquishment shall be by resolution. A certified copy of such resolution shall be filed with the board of supervisors or the city clerk, as the case may be; a certified copy of such resolution shall also be recorded in the office of the recorder of the county where such land is located, and upon such recordation, all right, title and interest of the State in and to such portion of any state highway shall vest in the county or city, as the case may be, and such highway or portion thereof shall thereupon constitute a county road or city street, as the case may be.

The vesting of all right, title and interest of the State in and to such portions of any state highways heretofore relinquished by the commission, in the county or city to which it was relinquished is hereby confirmed.

Prior to relinquishing any portion of a state highway to a county or a city, except where required by legislative enactment, the department shall give 90 days' notice in writing of intention to relinquish to the board of supervisors, or the city

council, as the case may be. Where the resolution of relinquishment contains a recital as to the giving of said notice, adoption of the resolution of relinquishment shall be conclusive evidence that said notice has been given.

CHAPTER 146

An act to repeal Section 351 of the Education Code, relating to school superintendents.

In effect
September
7, 1955

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 351 of the Education Code is repealed.

CHAPTER 147

An act to amend Section 403 of the Fish and Game Code, relating to licenses.

In effect
September
7, 1955

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 403 of the Fish and Game Code is amended to read:

403. All licenses and the birds, mammals, fish, mollusks, or crustaceans taken or otherwise dealt with under the provisions of this code, and any device or apparatus designed to be, and capable of being used to take birds, mammals or fish must be exhibited upon demand to any person authorized by the department to enforce the provisions of this code or any law relating to the protection and conservation of birds, mammals, fish, mollusks or crustaceans.

CHAPTER 148

An act to amend Section 1047 of the Fish and Game Code, relating to private stocking of domestically reared fish.

In effect
September
7, 1955

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1047 of the Fish and Game Code is amended to read:

1047. Any person may, under the terms of a permit first obtained from the department, under such rules and regulations as the commission is hereby authorized to prescribe, purchase or receive live fish from any person licensed under this article, and may stock said fish in a stream or a lake.

CHAPTER 149

An act to amend Sections 1351 and 1352 of, and to add Article 6.5 to Chapter 3, Part 3 of Division 4 of, the Fish and Game Code, relating to frogs.

[Approved by Governor April 14, 1955. Filed with Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1351 of the Fish and Game Code is amended to read:

1351. Except as otherwise provided in this code, it is unlawful to take or possess any frog less than four inches in length, measured from the tip of the nose to the posterior end of the body between the hind legs, or to take or possess more than 24 frogs per day or 48 frogs per week. size limit

SEC. 2. Section 1352 of said code is amended to read:

1352. Any person who conducts a place of business where frogs are sold to the public for food, or who takes or possesses frogs for sale to, or for use by, educational or scientific institutions for scientific purposes, may possess any number of frogs which conform to the size limit prescribed in this article. exceptions

Any person may domestically propagate and raise frogs, and kill, possess and sell any number so raised and propagated.

SEC. 3. Article 6.5 is added to Chapter 3, Part 3, of Division 4 of said code, to read:

Article 6.5. Frog-jumping Contests

1356. "Frog-jumping contests" as used in this article means contests generally and popularly known as frog-jumping contests which are open to the public and are advertised or announced in a newspaper. "Frog-jumping contests"

1356.1. Frogs to be used in frog-jumping contests shall be governed by this article only and may be taken at any time and no license or permit shall be necessary to take such frogs. Licenses or permits not required

1356.2. If the means used for taking such frogs can, as normally used, seriously injure the frog it shall be conclusively presumed the taking is not for purposes of a frog-jumping contest. Presumption

1356.3. Any person may possess any number of live frogs to use in frog-jumping contests, but if such a frog dies or is killed, it must be destroyed as soon as possible and may not be eaten or otherwise used for any purpose. Destruction on death

1356.4. A frog which is not kept in a manner which is reasonable to preserve its life is not within the coverage of this article. Keeping

Power of
commiss-10

1356.5. The commission has no power to modify the provisions of this article by any order, rule, or regulation under Article 1, Chapter 2, Division 1, or any other provision, of this code.

CHAPTER 150

An act to add Section 376 to the Education Code, relating to employees of county superintendents of schools.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 376 is added to the Education Code, to read:

376. Each person employed by a county superintendent of schools in a position requiring certification qualifications, and whose salary is paid from the county school service fund, has the same right with respect to leaves of absence, sick leave, and bereavement leave as a person employed by a school district in a position requiring certification qualifications.

The provisions of Article 7, Chapter 11, Division 7, and Sections 13841, 13841.1, 13841.2, and 13841.3 apply to persons so employed by a county superintendent of schools and so paid from the county school service fund. Whenever, in such provisions, a duty or power is imposed upon or granted to the governing board of a school district or an employee thereof, such power or duty shall, for the purposes of this section, be deemed to be granted to or imposed on the county superintendent of schools or his employee, respectively. When "district" is used in such provisions, it shall, for the purposes of this section, be deemed to mean "county superintendent of schools." Compensation paid to such employees during such leaves shall be paid from the county school service fund.

The granting of leaves of absence to such employees pursuant to Section 13673 shall be by the county superintendent of schools, upon approval by the county board of education.

CHAPTER 151

An act to amend Section 370 of the Education Code, relating to employees of county superintendents of schools.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 370 of the Education Code is amended to read:

370. A county superintendent of schools may enter into contracts of employment with persons employed by him in positions requiring certification qualifications for periods of not to exceed the end of the school year in which the term for which the county superintendent of schools was elected or appointed expires and in no event, for more than four years and six months.

CHAPTER 152

An act to amend Section 5402 of the Public Resources Code, relating to recreation, park, and parkway districts, declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 5402 of the Public Resources Code is amended to read:

5402. Any city or portion thereof, or any portion of the unincorporated area of any county not included in any other park, recreation, and parkway district and lying entirely outside of any national forest may be formed into a park, recreation, and parkway district.

The district may acquire by gift, lease, purchase, eminent domain, or any other manner, all necessary and proper lands and do all necessary and proper construction and work, including the planting of trees and shrubs, to secure, maintain and operate an adequate system of parks, recreation grounds, facilities for community recreation, and parkways within the district.

The district may acquire such lands and facilities or any portion thereof by means of a plan to borrow money or by purchase on contract. The amount of indebtedness to be incurred shall not exceed an amount equal to the anticipated tax income for a two-year period, and all indebtedness shall be repaid within a period of time not exceeding five years from its incurrence.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The rapid growth of the State with a resulting overcrowding of present facilities necessitates the development of additional facilities to be available for use by the public during the spring and summer of 1955. This act provides for the financing of such additional facilities. It is therefore necessary that this act take effect immediately to develop additional facilities which, by relieving overcrowding of the present facilities, will thereby alleviate imminent dangers to the public health and safety in many parts of the State.

CHAPTER 153

An act to amend Sections 215 and 216 of the Vehicle Code, relating to the registration of foreign commercial vehicles.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 215 of the Vehicle Code is amended to read:

Registration 215. Registration of Foreign Commercial Vehicles. (a) A nonresident owner of a foreign vehicle of a type subject to registration hereunder used or maintained for the transportation of persons for hire, compensation, or profit, or designed, used or maintained primarily for the transportation of property, which is operated or moved within this State, shall register each such vehicle in this State and pay the fees applicable thereto under this code, except as provided in subdivision (b) of this section, and except in the event any said vehicle is lawfully registered as a private passenger-carrying vehicle in the state, District of Columbia, territory, province or country in which the owner has his residence.

Reciprocity (b) Notwithstanding the provisions of subdivision (a) of this section, the nonresident owner of a foreign vehicle as described in subdivision (a) of this section shall be granted the same privileges and freedom from registration and payment of fees imposed by this Vehicle Code or the Vehicle License Fee Law in this State as the home state, District of Columbia, territory, province or country of such foreign vehicle grants to like vehicles registered in California.

Exemption (c) Notwithstanding any provision of this code to the contrary, any vehicle which is a two-wheel semitrailer offered for short-term lease to operators of private motor vehicles for the purpose of transporting the lessee's personal property and does not exceed (a) a maximum unladen weight of 1,000 pounds, (b) a maximum gross vehicular weight of 2,500 pounds, (c) a maximum outside width of 80 inches, and (d) a maximum loading area of 48 square feet, and is owned by a nonresident owner shall be exempt from registration and registration fees if such vehicle is registered in the state, District of Columbia, territory, province or country in which the owner has his residence.

SEC. 2. Section 216 of said code is amended to read:

Leased or rented nonresident vehicles 216. Registration of Nonresident Vehicles Leased for Use in This State. Any vehicle owned by a nonresident owner not registered in this State, which vehicle is leased or rented to a user having an established place of business or residence in California, for use on California highways, shall be subject to registration either by the owner or lessee of the vehicle, unless such vehicle is a two-wheel semitrailer offered for short-term lease to operators of private motor vehicles for the purpose of

transporting the lessee's personal property and does not exceed (a) a maximum unladen weight of 1,000 pounds, (b) a maximum gross vehicular weight of 2,500 pounds, (c) a maximum outside width of 80 inches, and (d) a maximum loading area of 48 square feet, and is registered in the state, District of Columbia, territory, province or country in which the owner has his residence, or is otherwise specifically exempted from registration by the provisions of Sections 210 through 215 inclusive of this code.

CHAPTER 154

An act to amend Section 772 of the Probate Code, relating to sales of estate property.

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 772 of the Probate Code is amended to read:

772. Except as provided in Sections 757, 770 and 771 of this code, personal property may be sold only after public notice given for at least 10 days by notices posted at the courthouse of the county in which the proceedings are pending; or by publication in a newspaper in such county, or by both, as the executor or administrator may determine, containing the time and place of sale, and a brief description of the property to be sold. Public sales must be made at the courthouse door, or at some other public place, or at the residence of the decedent; but no sale shall be made of any personal property which is not present at the time of sale, unless the court shall otherwise order.

CHAPTER 155

An act to amend Section 850 of the Probate Code, relating to contracts of decedents.

[Approved by Governor April 14, 1955 Filed with
Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 850 of the Probate Code is amended to read:

850. If a person who is bound by contract in writing to convey any real property or to transfer any personal property dies before making conveyance or transfer, and the decedent, if living, might have been compelled to make such conveyance or transfer, or if a person binds himself or his executor or administrator by contract in writing to convey any real property

or to transfer any personal property upon or after his death, and the contract is one which can be specifically enforced, the court in which proceedings are pending for the administration of the estate of the decedent may make a decree authorizing and directing the executor or administrator to convey or transfer the property to the person entitled thereto.

CHAPTER 156

An act to amend Section 515 of the Code of Civil Procedure, relating to the sufficiency of sureties.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 515 of the Code of Civil Procedure is amended to read:

515. The plaintiff may, within two days after service upon him of a copy of the undertaking given to the officer under Section 514 of this code, give notice to the officer making the service that he excepts to the sufficiency of the sureties. If he fails to do so, he is deemed to have waived all objections to them. When the plaintiff excepts, the defendant's sureties, upon notice to the plaintiff of not less than two nor more than five days, must justify before a judge or the clerk, of the court in which the action is pending in the same manner as upon bail on arrest; and upon such justification the officer taking the property must deliver the property to the defendant. Such officer is responsible for the defendant's sureties until they justify, or until the justification is completed or waived, and may retain the property until that time. If they, or others in their place, fail to justify at the time and place appointed, he must deliver the property to the plaintiff.

CHAPTER 157

An act to amend Section 13841.1 of the Education Code, relating to leave of absence for illness or injury of school district employees.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13841.1 of the Education Code is amended to read:

13841.1. Every person employed five days a week by a school district in a position requiring certification qualifications shall be entitled to 10 days' leave of absence for illness

or injury and such additional days in addition thereto as the governing board may allow for illness or injury, exclusive of all days he is not required to render service to the district, with full pay for a school year of service. A certificated employee employed for less than five school days a week shall be entitled, for a school year of service, to that proportion of 10 days' leave of absence for illness or injury as the number of days he is employed per week bears to five and is entitled to such additional days in addition thereto as the governing board may allow for illness or injury to certificated employees employed for less than five school days a week; pay for any day of such absence shall be the same as the pay which would have been received had the employee served during the day. Credit for leave of absence need not be accrued prior to taking such leave by the employee and such leave of absence may be taken at any time during the school year. If such employee does not take the full amount of leave allowed in any school year under this section the amount not taken shall be accumulated from year to year with such additional days as the governing board may allow.

The governing board of each school district shall adopt rules and regulations requiring and prescribing the manner of proof of illness or injury for the purposes of this section. Such rules and regulations shall not discriminate against evidence of treatment and the need therefor by the practice of the religion of any well-recognized church or denomination.

Nothing in this section shall be deemed to modify or repeal any provision of law contained in Article 3 of Chapter 6 of Division 3 of the Health and Safety Code.

The provisions of Section 13841 relating to compensation, shall not apply to the first 10 days of absence on account of illness or accident of any such employee employed five days a week or to the proportion of 10 days of absence to which such employee employed less than five days a week is entitled hereunder on account of illness or accident or to such additional days granted by the governing board.

CHAPTER 158

An act to amend Section 25615 of the Business and Professions Code, relating to the alcoholic content of beer.

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 25615 of the Business and Professions Code is amended to read:

25615. Any person who sells or otherwise disposes of, except for export, any draught beer containing more than 4 percent of alcohol by weight, and any person who sells or

otherwise disposes of, except for export, any bottled beer containing more than 4 percent of alcohol by weight is guilty of a misdemeanor. This section does not apply to the sale of ale, porter, brown, and stout in bottles bearing labels properly describing the contents under any licenses, other than on-sale beer licenses.

CHAPTER 159

An act providing funds for the completion of the lower level of the Richmond-San Rafael Bridge, and approaches to said bridge.

In effect
September
7, 1955

[Approved by Governor April 14, 1955. Filed with
Secretary of State April 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The Director of Finance and the California Toll Bridge Authority are hereby authorized to enter into an agreement whereby the Director of Finance may invest, for the purposes set forth in this section, not to exceed the sum of six million dollars (\$6,000,000) from the State School Land Fund. The agreement herein authorized shall provide for the dates of making funds available to the California Toll Bridge Authority and the Department of Public Works, and the payment of interest, including the rate or rates. Such funds shall be available in accordance with the California Toll Bridge Authority Act for the acquisition of any necessary property for and construction of the lower level of the Richmond-San Rafael Bridge, including surfacing and completion thereof, and for improvements to approaches and the construction of such additional approaches as the California Toll Bridge Authority may determine necessary, and for additional toll collection facilities. Such work shall be performed by the Department of Public Works in the manner provided by the California Toll Bridge Authority Act. The amounts invested by the Director of Finance pursuant to this act, and the interest thereon, if not otherwise paid pursuant to said agreement, shall be repaid out of the first bonds hereafter issued which are secured by the revenues of the Richmond-San Rafael Bridge, and if such bonds are not hereafter issued at or prior to the time that all of the existing bonds secured by the revenues of said bridge are paid or redeemed, such funds shall be repaid from the tolls and revenues of the Richmond-San Rafael Bridge, and the California Toll Bridge Authority shall continue to fix and collect tolls on said bridge for the purpose of making such repayments.

CHAPTER 160

An act to add Sections 22204.1 and 22204.2 to, and to amend Section 22208 of, the Financial Code, relating to bonds of personal property brokers.

[Approved by Governor April 19, 1955. Filed with Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 22204.1 is added to the Financial Code, to read:

22204.1. The bond shall remain in force and effect until the surety is released from liability by the commissioner, or until the bond is canceled by the surety.

SEC. 2. Section 22204.2 is added to said code, to read:

22204.2. The surety may cancel the bond and be relieved of further liability by delivering 30 days' written notice to the commissioner. The cancellation does not affect any liability incurred or accrued prior to the termination of the 30-day period.

SEC. 3. Section 22208 of said code is amended to read:

22208. Each licensee shall pay to the commissioner on or before the twentieth day of each December, the sum of two hundred dollars (\$200) as an annual license fee for the next succeeding calendar year.

CHAPTER 161

An act to add Chapter 7 to Title 6 of the Government Code, relating to districts.

[Approved by Governor April 19, 1955. Filed with Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Chapter 7 is added to Title 6 of the Government Code, to read:

CHAPTER 7. GENERAL

61500. Any person who is a director of an irrigation district may hold office as a director of a community services district and the holding of two such positions by such person at the same time shall not be incompatible.

CHAPTER 162

An act to add Section 60230 to the Government Code, relating to community services districts.

[Approved by Governor April 19, 1955. Filed with Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 60230 is added to the Government Code, to read:

60230. By resolution, the board may change the name of the district. Such change of name shall be effective upon the filing of a certified copy of such resolution with the Secretary of State and in the office of the county recorder of the county or counties in which such district is situated.

CHAPTER 163

An act to amend Section 60240 of the Government Code, relating to community services districts.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 60240 of the Government Code is amended to read:

60240. The board shall, at its first meeting or as soon thereafter as practicable, appoint by a majority vote:

(a) A general manager;

(b) A secretary, who may also be the general manager and act as treasurer.

CHAPTER 164

An act to amend Section 5658 of the Public Resources Code, relating to park, recreation and parkway districts, declaring the urgency thereof to take effect immediately.

In effect
immediately

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5658 of the Public Resources Code is amended to read:

5658. The board of district trustees shall

(a) Make and enforce all rules, regulations and by-laws necessary for the administration, government and protection of the property, improvements and facilities under its management and belonging to the district.

(b) Employ and pay persons necessary properly and adequately to maintain and operate the property, improvements and facilities under its control. The board may employ personnel at the pleasure of the board or by contract, and may establish a merit system, retirement privileges and provide for other employment practices either directly or through contractual arrangement with the State or other public agencies.

(c) Purchase, or otherwise acquire, such real property, equipment, and buildings; or erect such buildings, as in its judgment may be necessary properly to carry out the provisions of this article.

(d) Borrow money, give security therefor, purchase on contract, and do and perform any and all acts and things necessary or proper to carry out the provisions of this article, but no tax levy shall ever be made for any purpose above the maximum permitted by this article, and all indebtedness incurred by the district must be repaid within a period of not to exceed five years from the time of the incurrence of such indebtedness.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Recreational facilities are urgently needed throughout the State to provide for California's rapidly growing population. In order to provide financing for such facilities and thereby to preserve the health and safety of the people of the State, it is necessary that this act take effect immediately.

CHAPTER 165

An act to amend Section 7 of the Civil Code, relating to holidays.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7 of the Civil Code is amended to read:

7. Holidays within the meaning of this code are every Sunday and such other days as are specified or provided for as holidays in the Government Code of the State of California.

CHAPTER 166

An act to create a flood control district to be called Del Norte County Flood Control District and dividing said district into zones; to provide for the control and conservation of flood and storm waters and the protection of watercourses, watersheds, public highways, life and property from damage or destruction from such waters; to provide for the retention and reclaiming of drainage, storm, flood, and other waters and to save and conserve such waters for beneficial use in said district; to authorize the incurring of indebtedness, the issuance and sale of bonds, and the levying and collection of taxes and assessments on property within said district and in the respective zones thereof; to define the powers of said district; to provide for the government, management,

and operation of said district and for the acquisition and construction of property and works to carry out the purposes of the district.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

Short title

SECTION 1. This act shall be known and may be cited as the "Del Norte County Flood Control District Act."

District
created

SEC. 2. A flood control district is hereby created to be called the "Del Norte County Flood Control District." Said district shall consist of all the territory of the County of Del Norte lying within the exterior boundaries of said county excepting such islands of said county as lie in the Pacific Ocean. As used in this act the term "district" means the Del Norte County Flood Control District.

Zones

SEC. 3. The district is hereby divided into four zones which shall be numbered and denominated as hereinafter provided.

SEC. 4. The following constitutes the number and description of each of the several zones within the district:

Boundaries.
Zone 1

Zone 1. Smith River. Beginning at the northwest corner of Del Norte County, being at the intersection of the California state boundary line and the Pacific Ocean; thence south along the Pacific Ocean to the north line of Section 5, Township 17 North, Range 1 West, Humboldt Meridian; thence east along the north lines of Sections 3, 4, and 5, Township 17 North, Range 1 West, Humboldt Meridian, to the quarter corner in the north line of said Section 3; thence southeasterly in a direct line to the northeast corner of Section 14, Township 17 North, Range 1 West, Humboldt Meridian; thence south along the section lines to the southeast corner of Section 35, Township 16 North, Range 1 West, Humboldt Meridian; thence west along the south line of said Section 35, to the Pacific Ocean; thence south along the Pacific Ocean to the east west center line of Section 24, Township 15 North, Range 1 West, Humboldt Meridian; thence east along said east west center line and the east west center lines of Sections 19, 20, 21 and 22, Township 15 North, Range 1 East, Humboldt Meridian to the center of said Section 22; thence north to the north quarter corner of said Section 22; thence east along the north line of Sections 22 and 23, Township 15 North, Range 1 East, Humboldt Meridian to the north quarter corner of said Section 23; thence south along the north south center lines of Sections 23, 26 and 35, Township 15 North, Range 1 East, Humboldt Meridian, to the center of said Section 35; thence east along the east west center line of Sections 35 and 36 to the east quarter corner of said Section 36, Township 15 North, Range 1 East, Humboldt Meridian; thence south along the township line to the quarter corner in the east line of Section 1, Township 14 North, Range 1 East, Humboldt Meridian; thence east along the east west center line of Section 6,

Township 14 North, Range 2 East, Humboldt Meridian to the east quarter corner of said Section 6; thence south to the southeast corner of said Section 6; thence east to the quarter in the north line of Section 8 last mentioned township and range; thence south along the north south center line of Section 8 to the center of said Section 8; thence east along the east west center lines of said Section 8 and Section 9, last mentioned township and range to the east quarter corner of said Section 9, being a point on the national forest boundary; thence southerly and easterly following the various courses of the national forest boundary to the southwest corner of Section 14, Township 13 North, Range 2 East, Humboldt Meridian; thence east along the south lines of Sections 14 and 13, last mentioned township and range, and the south line of Section 18, Township 13 North, Range 3 East, Humboldt Meridian to the southeast corner of said Section 18; thence north along the east line of said Section 18 to the northeast corner thereof; thence east along the south line of Section 8, last mentioned township and range to the southeast corner thereof; thence north along the section lines to the northeast corner of Section 29, Township 14 North, Range 3 East, Humboldt Meridian; thence east along the section lines to the southwest corner of Section 24, last mentioned township and range; thence south along the section lines to the quarter corner in the west line of Section 36, last mentioned township and range; thence east along the east-west center line of said Section 36 and Sections 31, 32, and 33, Township 14 North, Range 4 East, Humboldt Meridian, to the quarter corner in the east line of last mentioned Section 33; thence north along the east lines of Sections 33, 28 and 21, last mentioned township and range to the county boundary; thence northerly along the county boundary to the northeast corner of Del Norte County on the California state boundary line; thence west along the California state boundary line to the point of beginning.

Zone 2. Lake Earl. Beginning at the southeast corner of ^{Zone 2} Section 14, Township 16 North, Range 1 West, Humboldt Meridian; thence west along the south lines of Sections 14, 15, 16, 17 and 18, Township 16 North, Range 1 West, Humboldt Meridian, and along the south lines of Section 13, Township 16 North, Range 2 West, Humboldt Meridian to the Pacific Ocean; thence northerly along the Pacific Ocean to the north line of Section 5, Township 17 North, Range 1 West, Humboldt Meridian; thence east along the north lines of Sections 5, 4, and 3, Township 17 North, Range 1 West, Humboldt Meridian, to the quarter corner in the north line of said Section 3; thence southeasterly in a direct line to the northeast corner of Section 14, Township 17 North, Range 1 West, Humboldt Meridian; thence south along the section lines to the point of beginning.

Zone 3. Elk Creek. Beginning at the southeast corner of ^{Zone 3} Section 14, Township 16 North, Range 1 West, Humboldt Meridian; thence south along the east lines of Sections 23, 26,

and 35, said township and range to the southeast corner of said Section 35; thence westerly along the south line of said Section 35 to the Pacific Ocean; thence northwesterly along the Pacific Ocean to the south Section 13, Township 16 North, Range 2 West, Humboldt Meridian; thence east along the section lines to the point of beginning.

Zone 4

Zone 4. Klamath River. Beginning at the southeast corner of the County of Del Norte; thence westerly along the county boundary to the Pacific Ocean; thence northerly along the Pacific Ocean to the east-west center line of Section 24, Township 15 North, Range 1 West, Humboldt Meridian; thence east along said east-west center line and the east-west center lines of Sections 19, 20, 21, and 22. Township 15 North, Range 1 East, Humboldt Meridian to the center of said Section 22; thence north to the north quarter corner of said Section 22; thence east along the north line of Sections 22 and 23, Township 15 North, Range 1 East, Humboldt Meridian, to the north quarter corner of said Section 23; thence south along the north south center lines of Sections 23, 26, and 35, Township 15 North, Range 1 East, Humboldt Meridian to the center of said Section 35; thence east along the east-west center line of Sections 35 and 36 to the east quarter corner of said Section 36, Township 15 North, Range 1 East, Humboldt Meridian; thence south along the township line to the quarter corner in the east line of Section 1, Township 14 North, Range 1 East, Humboldt Meridian; thence east along the east-west center line of Section 6, Township 14 North, Range 2 East, Humboldt Meridian to the east quarter corner of said Section 6; thence south to the southeast corner of said Section 6; thence east to the quarter corner in the north line of Section 8, last mentioned township and range; thence south along the north-south center line of Section 8, to the center of said Section 8; thence east along the east-west center lines of said Section 8, and Section 9, last mentioned township and range, to the east quarter corner of said Section 9, being a point on the national forest boundary; thence southerly and easterly following the various courses of the national forest boundary to the southwest corner of Section 14, Township 13 North, Range 2 East, Humboldt Meridian; thence east along the south lines of Sections 14 and 13, last mentioned township and range and the south line of Section 18, Township 13 North, Range 3 East, Humboldt Meridian to the southeast corner of said Section 18; thence north along the east line of said Section 18 to the northeast corner thereof; thence east along the south line of Section 8, last mentioned township and range to the southeast corner thereof; thence north along the section lines to the northeast corner of Section 29, Township 14 North, Range 3 East, Humboldt Meridian; thence east along the section lines to the southwest corner of Section 24, last mentioned township and range; thence south along the section lines to the quarter corner in the west line of Section 36, last mentioned township and range; thence east along the east-

west center lines of said Section 36, and Sections 31, 32 and 33 to the quarter corner in the east line of last mentioned Section 33; thence north along the east lines of Sections 33, 28, and 21, last mentioned township and range to the county boundary; thence in a general southerly direction along the county boundary to the point of beginning.

The board of supervisors of the district created by this act, ^{Subzones} by resolutions thereof adopted from time to time, may establish zones to be known as subzones within said district without reference to the boundaries of the zones described herein setting forth in said resolution a clear description thereof by metes and bounds, and entitling said subzone by specific subzone number, and institute subzone projects for the specific benefit of such subzones.

Proceedings for the establishment of such subzones may be conducted concurrently with and as a part of proceedings for the instituting of projects relating to such subzones, which proceedings shall be instituted in the manner prescribed in Section 13 of this act.

SEC. 5. The objects and purposes of this act are to provide ^{Purposes} for the control of the flood and storm waters of the district and the flood and storm waters of streams that have their sources outside the district, but which streams and floodwaters flow into the district, and to conserve such waters for beneficial and useful purposes by spreading, storing, retaining, and causing such waters to percolate into the soil within the district, or to save and conserve in any manner all or any of such waters and to protect from such flood or storm waters the public highways, life and property in the district, and the watercourses and watersheds in the district and the watercourses and watersheds of streams flowing into the district, and to increase, and to prevent the waste or diminution of the water supply in the district, and to obtain, retain and reclaim drainage, storm, flood and other waters for beneficial use within the district.

SEC. 6. The district is hereby declared to be a body corporate and politic and as such shall have, in addition to the other powers vested in it by this act, the following powers: ^{District powers- General}

1. To have perpetual succession.
2. To sue and be sued in the name of said district in all actions and proceedings in all courts and tribunals of competent jurisdiction.
3. To adopt a seal and alter it at pleasure.
4. To acquire by grant, purchase, lease, gift, devise, contract, condemnation, construction, or otherwise, and to hold, use, enjoy, sell, let, and dispose of real and personal property of every kind, including lands, structures, buildings, rights of way, easements, and privileges, and to construct, maintain, alter, and operate any and all works or improvements, within or without the district, necessary or proper to carry out any of the objects or purposes of this act and convenient to the full exercise of its powers, and to complete, extend, add to,

repair or otherwise improve any works, or improvements, or property acquired by it as authorized by this act.

Store
water, etc

5. To store water in surface or underground reservoirs within or outside of the district for the common benefit of the district or of any zone or zones affected; to conserve and reclaim water for present and future use within the district; to appropriate and acquire water and water rights, and import water into the district and to conserve within or outside of the district, water for any purpose useful to the district; to commence, maintain, intervene in, and compromise, in the name of the district, or otherwise, and to assume the costs and expenses of any action or proceeding involving or affecting the ownership or use of waters or water rights within or without the district, used or useful for any purpose of the district or of common benefit to any land situated therein, or involving the wasteful use of water therein; to commence, maintain, intervene in, defend and compromise and to assume the cost and expenses of any and all actions and proceedings now or hereafter begun; to prevent interference with or diminution of, or to declare rights in the natural flow of any stream or surface or subterranean supply of waters used or useful for any purpose of the district or of common benefit to the lands within the district or to its inhabitants; to prevent unlawful exportation of water from said district; to prevent contamination, pollution or otherwise rendering unfit for beneficial use the surface or subsurface water used in said district, and to commence, maintain and defend actions and proceedings to prevent any such interference with the aforesaid waters as may endanger or damage the inhabitants, lands, or use of water in or flowing into the district; provided, however, that said district shall not have power to intervene or take part in, or to pay the costs or expenses of, actions or controversies between the owners of lands or water rights which do not affect the interests of the district.

Control,
conservation,
etc., of flood
and storm
waters

6. To control the flood and storm waters of said district and the flood and storm waters of streams that have their sources outside of said district, but which streams and the floodwaters thereof, flow into said district, and to conserve such waters for beneficial and useful purposes of said district by spreading, storing, retaining and causing to percolate into the soil within or without said district, or to save or conserve in any manner all or any of such waters and protect from damage from such flood or storm waters the watercourses, watersheds, public highways, life and property in said district, and the watercourses and watersheds outside of the district of streams flowing into the district.

Cooperation
with other
agencies

7. To cooperate and to act in conjunction with the State of California, or any of its engineers, officers, boards, commissions, departments or agencies, or with the Government of the United States, or any of its engineers, officers, boards, commissions, departments or agencies, or with any public or private corporation, or with the County of Del Norte, in the construction of

any work for the controlling of flood or storm waters of or flowing into said district, or for the protection of life or property therein, or for the purpose of conserving said waters for beneficial use within said district, or in any other works, acts, or purposes provided for herein, and to adopt and carry out any definite plan or system of work for any such purpose.

8. To carry on technical and other necessary investigations, make measurements, collect data, make analyses, studies, and inspections pertaining to water supply, water rights, control of flood and storm waters, and use of water both within and without said district relating to watercourses of streams flowing in or into said district, and in all cases where land may be required for public use by said district, the district, or its agents in charge of such use, shall have the right of access to all properties within the district and elsewhere relating to watercourses and streams flowing in or into said district and may survey and locate the same; but such must be located in the manner which will be most compatible with the greatest public good and the least private injury. The district, or its agents in charge of such public use may enter upon such lands and make examinations, surveys, and maps thereof, and such entry shall constitute no cause of action in favor of the owners of such land, except for injuries resulting from negligence, wantonness, or malice.

9. To enter upon any land, to make surveys and locate the necessary works of improvement and the lines for channels, conduits, canals, pipelines, roadways and other rights of way; to acquire by purchase, lease, contract, condemnation, gift, devise, or other legal means all lands and water and water rights and other property necessary or convenient for the construction, use, supply, maintenance, repair and improvement of said works, including works constructed and being constructed by private owners, lands for reservoirs for storage of necessary water, and all necessary appurtenances, and also where necessary or convenient to said end, and for said purposes and uses, to acquire and to hold in the name of the State, the capital stock of any mutual water company or corporation, domestic or foreign, owning water or water rights, canals, waterworks, franchises, concessions, or rights, when the ownership of such stock is necessary to secure a water supply required by the district or any part thereof, upon the condition that when holding such stock, the district shall be entitled to all the rights, powers and privileges, and shall be subject to all the obligations and liabilities conferred or imposed by law upon other holders of such stock in the same company; to enter into and do any acts necessary or proper for the performance of any agreement with the United States, or any State, county, district of any kind, public or private corporation, association, firm or individual, or any number of them, for the joint acquisition, construction, leasing, ownership, disposition, use, management, maintenance, repair or operation of any rights, works or other property of a kind which might be law-

Investigations, etc

Surveys, acquisition of land, etc

fully acquired or owned by said Del Norte County Flood Control District; to acquire the right to store water in any reservoirs, or to carry water through any canal, ditch or conduit not owned or controlled by the district; to grant to any owner or lessee the right to the use of any water or right to store such water in any reservoir of the district, or to carry such water through any tunnels, canal, ditch, or conduit of the district; to enter into and do any acts necessary or proper for the performance of any agreement with any district of any kind, public or private corporation, association, firm or individual, or any number of them for the transfer or delivery to any such district, corporation, association, firm or individual of any water right or water pumped, stored, appropriated or otherwise acquired or secured, for the use of the Del Norte County Flood Control District, or for the purpose of exchanging the same for other water, water right or water supply in exchange for water, water right or water supply to be delivered to said district by the other party to said agreement; to cooperate with, and to act in conjunction with, the State of California, or any of its engineers, officers, boards, commissions, departments or agencies, or with the Government of the United States, or any of its engineers, officers, boards, commissions, departments or agencies, or with any public or private corporation, in the construction of any work for the controlling of flood or storm waters of streams in or running into said district, or for the protection of life or property therein, or for the purpose of conserving said waters for beneficial use within said district, or in any other works, acts, or purposes provided for herein, and to adopt and carry out any definite plan or system of work for any such purpose.

Indebtedness
and bonds

10. To incur indebtedness and to issue bonds in the manner herein provided.

Taxes and
assessments

11. To cause taxes or assessments to be levied and collected for the purpose of paying any obligation of the district, and to carry out any of the purposes of this act, in the manner hereinafter provided.

Contracts,
etc

12. To make contracts, and to employ labor, and to do all acts necessary for the full exercise of all powers vested in said district or any of the officers thereof, by this act.

Eminent
domain

SEC. 7 The district shall have and may exercise the right of eminent domain, either within or without said district, and in the manner provided by law for the condemnation of private property for public use, to take any property necessary to carry out any of the objects or purposes of this act, whether such property be already devoted to any public use by any district or other public corporation, or agency, or otherwise; provided, however, that the district in exercising such power shall in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal or relocation of any structure, railways, mains, pipes, conduits, wires, cable, poles, of any public utility which is required to be moved to a new location; and provided further,

that notwithstanding any other provision of this act, or any other law, no property shall be taken unless it is taken upon a finding by a court of competent jurisdiction that the taking is for a more necessary public use than that to which it has already been appropriated. The district shall also have and may exercise the right to condemn any existing works or improvements in said district or along streams flowing into said district now or hereafter used to control flood or storm waters, or to conserve such flood or storm waters or to protect any property in said district or along streams flowing into said district from damage from such flood or storm waters, and it is hereby declared that the use of the property, lands, rights of way, easements, or materials which may be condemned, taken or appropriated under the provision of this act is a public use subject to the regulation and control of the State in the manner prescribed by law; provided, however, that nothing in this act contained shall be deemed to authorize said district, or any person or persons to divert the waters of any river, creek, stream, irrigation system, canal or ditch, from its channel, to the detriment of any person, or persons having any interest in such river, creek, stream, irrigation system, canal or ditch, or the waters thereof or therein, unless compensation therefor be first provided in the manner provided by law.

The power of eminent domain vested in the district shall include the power to condemn in the name of the district either the fee simple or any lesser estate, easement, or interest in any real property which the board of supervisors of the district by resolution shall determine is necessary for carrying out the purposes of this act. Such resolution shall be prima facie evidence that the taking of such fee simple or any lesser estate or easement, or interest as the case may be, is necessary.

Whenever real property which is devoted to or held for some other public or quasi-public use is required by the district for flood or storm water control or water conservation purposes, the district may condemn real property adjacent thereto or in the immediate vicinity thereof to be exchanged for the real property required by the district as aforesaid for flood control or water conservation purposes.

SEC. 8. The Board of Supervisors of Del Norte County shall be and is hereby designated as, and empowered to act as, ex officio the Board of Supervisors of the Del Norte County Flood Control District. As used elsewhere in this act the terms "board" and "board of supervisors" mean the Board of Supervisors of the Del Norte County Flood Control District. District
board of
supervisors

All ordinances, resolutions and other legislative acts for said district shall be adopted by said board of supervisors, and certified to, recorded and published, in the same manner, except as herein otherwise expressly provided, as are ordi- Ordinances
etc

nances, resolutions or other legislative acts for the County of Del Norte.

Ex officio
officers, etc

SEC. 9. The District Attorney, County Surveyor, County Assessor, County Tax Collector, County Auditor and County Treasurer of the County of Del Norte, and their successors in office, and all their assistants, deputies, clerks and employees, and all other officers of said Del Norte County, their assistants, deputies, clerks and employees, shall be ex officio officers, assistants, deputies, clerks and employees respectively of said Del Norte County Flood Control District, and shall respectively perform, unless otherwise provided by the board, the same various duties for said district as for said Del Norte County, in order to carry out the provisions of this act; provided, however, that where the county surveyor is a registered civil engineer and is employed by the board of supervisors to supervise the engineering work of said district, the board may provide for compensation for his services hereunder payable from the funds of the district, in addition to his salary as county surveyor of Del Norte County.

Powers of
board. Rules,
employment
of person-
nel, etc.

SEC. 10. The board shall have power to make and enforce all needful rules and regulations for the administration and government of the district, and to appoint and employ all needful agents, superintendents, engineers, attorneys, and employees to properly look after the performance of any work provided for in this act and to operate and maintain said works, and to perform all other acts necessary or proper to accomplish the purposes of this act.

Employment
of civil
engineers

SEC. 11. The board shall have jurisdiction and power by resolution to employ competent registered civil engineers to investigate and carefully devise a plan or plans to control the flood and storm waters of the district, and the zones thereof, and the flood and storm waters of streams that have their sources outside of said district but which streams and the floodwaters thereof flow into said district, and to conserve such waters for beneficial and useful purposes by spreading, storing, retaining or causing to percolate into the soil within or without the district, or to save or conserve in any manner, any or all of such waters, and to protect the public highways, life and property within the district, and the watercourses and watersheds in the district and the watercourses and watersheds of streams flowing into the district, from damage relating to such waters; and to obtain such other information in regard thereto as may be deemed necessary or useful for carrying out the purposes of this act; and such resolution may direct such engineer or engineers to make and file reports from time to time with the board, which shall show:

Reports

1. A general description of the work proposed to be done, together with general plans, profiles, cross sections, and general specifications relating thereto, on each project or work of improvement.

2. A general description of the lands, rights of way, easements and property proposed to be taken, acquired or injured in carrying out said work.

3. A map or maps which shall show the location and zones, as may be required, of each of said projects or improvements, and lands, rights of way, easements and property to be taken, acquired, or injured in carrying out said work, and any other information in regard to the same that may be deemed necessary or useful.

4. An estimate of the cost of each project or work of improvement, including an estimate of the cost of lands, rights of way, easements and property proposed to be taken, acquired or injured in carrying out said project or work of improvement, and also of all incidental expenses likely to be incurred in connection therewith, including legal, clerical, engineering, superintendence, inspection, printing and advertising, and stating the total amount of bonds, if any, necessary to be issued to pay for the same.

Such engineer or engineers shall from time to time and as directed by the board file with the board supplementary, amendatory and additional reports and recommendations, as necessity and convenience may require.

Such engineer or engineers, employed by the board, shall have power and authority, subject to the control and direction of said board, to employ such engineers, surveyors, and others, as may be required for making all surveys or doing any other work necessary for the making of such report.

Employing
engineers,
etc

The board may at any time remove any or all of the engineers or employees appointed or employed under this act, and may fill any vacancies occurring among them from any cause.

Removal

SEC. 12. The board shall determine which projects or works of improvement shall be carried out and shall determine, as to each project or work of improvement, that it is either:

Determina-
tion of
board
Projects

1. For the common benefit of the district as a whole; or

2. For the common benefit of two or more zones hereinafter referred to as participating zones; or

3. For the benefit of a single zone; or

4. For the benefit of subzones that may be established by the board.

SEC. 13. The board may institute projects for single zones and joint projects for two or more zones, and projects for subzones, for the financing, constructing, maintaining, operating, extending, repairing or otherwise improving any work or improvement of common benefit to such zone, subzone, or participating zones. For the purpose of acquiring authority to proceed with any such project, the board shall adopt a resolution specifying its intention to undertake such project, together with the engineering estimates of the cost of same to be borne by the particular zones, subzones, or participating zones and fixing a time and place for public hearing of said resolution and which shall refer to a map or maps showing the general location and general construction of said project. Notice

Resolution

Notice of
hearing

of such hearing shall be given by publication once a week for two consecutive weeks prior to said hearing, the last publication of which notice must be at least seven (7) days before said hearing, in a newspaper of general circulation designated by the board, circulated in such zone, subzone, or each of said participating zones, if there be such newspaper, and if there be no such newspaper then by posting notice for two consecutive weeks prior to said hearing in five public places designated by the board, in such zone, subzone, or in each of said participating zones. Said notice must designate a public place in such zone, subzone, or in each of said participating zones where a copy or copies of the map or maps of said joint project may be seen by any interested person; said map must be posted in each of said public places so designated in said notice at least two weeks prior to said hearing.

Hearing

At the time and place fixed for the hearing, or at any time to which said hearing may be continued, the board shall consider all written and oral objections to the proposed project. Upon the conclusion of the hearing the board may abandon the proposed project or proceed with the same, unless prior to the conclusion of said hearing written protests against the proposed project signed by a majority in number of the registered voters residing within such zone, subzone, or participating zones be filed with the board, in which event further proceedings relating to such project must be suspended for not less than six months following the date of the conclusion of said hearing, or said proceeding may be abandoned in the discretion of the board.

Tax or
assessment

SEC. 14. The board shall have power, in any year:

1. To levy ad valorem taxes or assessments upon all property in the district to pay the general administrative costs and expenses of the district, and to carry out any of the objects or purposes of this act of common benefit to the district, and

2. To levy taxes or assessments in each or any of said zones, subzones, and participating zones to pay the cost and expenses of carrying out, constructing, maintaining, operating, extending, repairing or otherwise improving any or all works or improvements established or to be established within or on behalf of said respective zones or subzones, according to the benefits derived or to be derived by said respective zones or subzones, by either of the following methods:

(a) By a levy or assessment upon all property within a zone or participating zone, including land, improvements thereon, and personal property;

(b) By a levy or assessment upon all real property within a zone or participating zone, including both land and improvements thereon.

3. To levy taxes or assessments by either method authorized by subdivision 2 of this section in each or any of said zones or subzones, according to the special benefits derived or to be derived by the specific properties therein to pay the cost and expenses of carrying out any of the objects or purposes of this

act of special benefit to such zones or subzones, including the constructing, maintaining, operating, extending, repairing, or otherwise improving any or all works of improvement established or to be established within or on behalf of said respective zones or subzones.

In the event of project of cooperation with any of the governmental bodies as authorized in subdivision 7 of Section 5 of this act, and the making of a contract with any such governmental body for the purposes set forth in said subdivision 7, by the terms of which work is agreed to be performed by any such governmental body in any specified zones, subzones, or participating zones, for the particular benefit thereof, and by said contract it is agreed that the district is to pay to such governmental body, a sum of money in consideration or subvention for the performance of said work by such governmental body, the board may levy and collect a special tax or assessment upon the property in such zone, subzone, or participating zones, whereby to raise funds to enable the district to make such payment, in addition to other taxes or assessments herein otherwise provided for.

Special
tax or
assessment

Said taxes or assessments shall be levied and collected together with, and not separately from taxes for county purposes, and the revenues derived from said district taxes or assessments shall be paid into the county treasury to the credit of said district, or the respective zones or subzones thereof, and the board shall have the power to control and order the expenditure thereof for said purposes; provided, however, that no revenues, or portions thereof, derived in any of the several zones or subzones from the taxes or assessments levied under the provisions of subdivision 2 of this section shall be expended for constructing, maintaining, operating, extending, repairing or otherwise improving any works or improvements located in any other zone, or outside of such subzone, except in the case of joint projects, or for projects authorized or established outside such subzones, zone, or zones, but for the benefit thereof. In cases of projects joint to two or more zones, for which purpose a subzone may be construed to be a zone, such zones will become, and shall be referred to as. participating zones.

Levy,
collection,
disposition
of proceeds,
etc

SEC. 15. (1) Whenever the board determines that a bonded indebtedness should be incurred to pay the cost of any work or improvement in any zone, subzone, or zones, the board may by resolution, determine and declare the respective amounts of bonds in order to raise the amount of money necessary for each work or improvement and the denomination and rate of interest of said bonds. The board shall cause a copy of the resolution, duly certified by the clerk, to be filed for record in the Office of the Recorder of Del Norte County within five (5) days after its issuance. From and after said filing of said copy of said resolution the board shall be deemed vested with the authority to proceed with the bond election.

Bonded in-
debtedness
Resolution
of intention

Special bond
election

(2) After the filing for record of the resolution specified in subdivision (1) of this section, the board may call a special election in said zone, subzone, or participating zones at which shall be submitted to the qualified electors of said zone, subzone, or participating zones the question whether or not bonds shall be issued in the amount or amounts determined in said resolution and for the purpose or purposes therein stated. Said bonds and the interest thereon shall be paid from revenue derived from annual taxes or assessments levied upon the property situated within the zone, subzone, or participating zones, and all such property shall be and remain liable to be taxed or assessed for such payments as provided in this act.

Ordinance

(3) Said board shall call such special bond election by ordinance and not otherwise and submit to the qualified electors of said zone, subzone, or participating zones, the proposition of incurring a bonded debt in such zone, subzone, or participating zones in the amount and for the purposes stated in said resolution and shall recite therein the objects and purposes for which the indebtedness is proposed to be incurred; provided, that it shall be sufficient to give a brief, general description of such objects and purposes, and refer to the recorded copy of such resolution adopted by said board, and on file for particulars; and said ordinances shall also state the estimated cost of the proposed work and improvements, the amount of the principal of the indebtedness to be incurred therefor, and what part or installment of such indebtedness shall be paid each and every year, and which shall not in any one year be less than one-fortieth ($\frac{1}{40}$) of the whole amount of the principal and interest of such indebtedness, and the rate of interest to be paid on said indebtedness, and shall fix the date on which such special election shall be held, and the form and contents of the ballot to be used. The rate of interest to be paid on such indebtedness shall not exceed five percent (5%) per annum. For the purposes of said election, said board shall in said ordinance establish election precincts within the boundaries of each zone, subzone, and participating zone and may form election precincts by consolidating the precincts established for general election precincts in said district to a number not exceeding six general election precincts for each such bond election precinct, and shall designate a polling place and appoint one inspector, one judge and one clerk for each of such bond election precincts.

General
election laws
applicable

In all particulars not recited in said ordinance, such election shall be held as nearly as practicable in conformity with the general election laws of the State.

Maps

Said board shall cause a map or maps to be prepared covering a general description of the work to be done, which said map shall show the location of the proposed works and improvements and shall cause the said map to be posted in a prominent place in the county courthouse for public inspection for at least thirty (30) days before the date fixed for such election.

Said ordinance calling for such election shall, prior to the date set for such election, be published in a newspaper of general circulation circulated in each zone, subzone, and participating zone affected for six consecutive times if published in a daily newspaper of general circulation, or two times if published in a weekly newspaper of general circulation. The last publication of such ordinance must be at least fourteen (14) days before said election, and if there be no such newspaper, then such ordinance shall be posted in five public places designated by the board, in each zone, subzone, and participating zone affected for at least thirty (30) days before the date fixed for such election. No other notice of such election need be given nor need polling place cards be issued.

Publication
of ordinance

Any defect or irregularity in the proceedings prior to the calling of such election shall not affect the validity of the bonds authorized by said election. If at such election two-thirds ($\frac{2}{3}$) of the votes cast are in favor of incurring such bonded indebtedness, then bonds for such zone, subzone or participating zones for the amount stated in such proceedings shall be issued and sold as in this act provided.

Defects or
irregularities

SEC. 16. The board shall, subject to the provisions of this act, prescribe by resolution the form of said bonds, which must include a designation of the zone, subzone, or participating zones affected, and of the interest coupons attached thereto. Said bonds shall be payable annually or semiannually at the discretion of the board each and every year on a day and date, and at a place to be fixed by said board, and designated in such bonds, together with the interest on all sums unpaid on such date until the whole of said indebtedness shall have been paid.

Bonds Form,
time of pay-
ment, etc

The bonds shall be issued in such denominations as the board may determine, except that no bonds shall be of a less denomination than one hundred dollars (\$100), nor of a greater denomination than one thousand dollars (\$1,000), and shall be payable on the days and at the place fixed in said bonds, and with interest at the rate specified in such bonds, which rate shall not be in excess of five per centum (5%) per annum, and shall be made payable annually or semiannually, and said bonds shall be numbered consecutively and shall be signed by the chairman of the board, and countersigned by the Auditor of said Del Norte County, and the seal of said district shall be affixed thereto by the clerk of the board. The interest coupons of said bonds shall be numbered consecutively and signed by the Auditor of Del Norte County by his engraved or lithographed signature. In case any such officer whose signatures or countersignatures appear on the bonds or coupons shall cease to be such officer before the delivery of such bonds to the purchaser, such bonds and coupons, and signatures or countersignatures shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until the delivery of the bonds.

Denomina-
tions, etc

SEC. 17. The board may issue and sell the bonds of such district zones authorized as hereinbefore provided at not less

Sale

than par value, and the proceeds of the sale of such bonds shall be placed in the Treasury of the County of Del Norte to the credit of said district and the respective participating zones thereof, for the uses and purposes of the zone, subzone, or zones voting said bonds; and the proper record of such transactions shall be placed upon the books of said county treasurer, and said respective zone funds shall be applied exclusively to the purposes and objects mentioned in the ordinance calling such special bond election as aforesaid, subject to the provisions in this act contained. Payments from said zone funds shall be made upon demands prepared, presented, allowed and audited in the same manner as demands upon the funds of the County of Del Norte.

Payment

SEC. 18. Any bonds issued under the provisions of this act and the interest thereon shall be paid by revenue derived from an annual tax or assessment levied as provided in clause (a) or (b) of subdivision 2 of Section 14 of this act. No zone or subzone, nor the property therein shall be liable for the share of bonded indebtedness of any other zone, nor shall any moneys derived from taxation or assessment in any of the several zones or subzones be used in payment of principal or interest or otherwise of the share of bonded indebtedness chargeable to any other zone.

Deposit and
registration

Said bonds may be deposited and registered with the treasurer of the county, and it shall be an official duty of said treasurer to receive and register said bonds in the name of the holder and to keep a sufficient book of registry thereof setting forth a description of the bonds and the names and addresses of the respective holders, and to give each holder of such bonds so registered a receipt therefor; that said receipts shall be personal to the respective holders and not transferable. That such bonds shall be returned to such holders thereof or in case of death to the duly appointed personal representative of the holder's estate upon the giving of receipt therefor, with or without return of the receipt given by the treasurer at the time of such deposit and registry. And the treasurer, at the request of such holder, or such personal representative, may detach and deliver to such holder or personal representative, mature coupons from time to time, first taking receipts therefor.

Annual tax
levy or
assessment

SEC. 19. The board shall levy a tax or assessment each year sufficient to pay the interest upon said bonds for that year, and such portion of the principal thereof as is to become due before the time for making the next general tax levy. Such taxes or assessments shall be levied and collected in the respective zones or subzones of issuance together with and not separately from taxes for county purposes, and when collected shall be paid into the County Treasury of said Del Norte County to the credit of the zone or subzone of payment, and be used for the payment of the principal and interest on said bonds, and for no other purpose. The principal and interest on said bonds shall be paid by the County Treasurer of said Del Norte

County in the manner provided by law for the payment of principal and interest on bonds of said county.

SEC. 20. The provisions of law of this State, prescribing the time and manner of levying, assessing, equalizing and collecting county property taxes, including the sale of property for delinquency, and the redemption from such sale, and the duties of the several county officers with respect thereto, are, so far as they are applicable, and not in conflict with the specific provisions of this act, hereby adopted and made a part hereof.

Levying,
assessing,
etc

SEC. 21. Notwithstanding Sections 54900 to 54903, inclusive, of the Government Code, the Del Norte County Flood Control District is validly created for the purposes of assessment and taxation. The information and maps, relating to the Del Norte County Flood Control District and the zones thereof, required by Sections 54900 to 54903, inclusive, of the Government Code shall be filed with the county assessor and State Board of Equalization as soon as practicable after the effective date for this act, but no later than February 1, 1956; provided, however, that until the requirements of Sections 54900 to 54903, inclusive, of the Government Code have been fully complied with all taxes levied shall be at a uniform rate for all zones in the district

Legislative
declarations

For the Fiscal Year 1955-1956, but for no other fiscal year, notwithstanding Section 20 of this act, the assessment and equalization of property for the purpose of district taxation shall be effected as provided in this section.

1955-1956
assessments

Assessments of the district for the Fiscal Year 1955-1956 are liens on the property the same as if they were county taxes, except that the district assessment liens attach as of noon on the day after this act becomes effective.

Liens

It is presumed that the assessments of property made by the county assessor and by the State Board of Equalization for county taxation purposes for the Fiscal Year 1955-1956 are the correct assessments for purposes of assessment by the district and the rolls prepared by the county assessor and the State Board of Equalization shall be used for purposes of levying and collecting the assessments for the district. If the ownership or taxable situs or value of any property changes between noon on the first Monday in March, 1955, and the date on which attaches the lien for assessments of the district for the Fiscal Year 1955-1956, then, on petition of the taxpayer affected to the assessing authority, suitable entry shall be made on the assessment roll, in the manner prescribed by the State Board of Equalization, to indicate such change in the ownership or taxability or value of the property for purposes of assessment by the district.

Assessment
presumption

In equalizing the assessments made by the county assessor, the Board of Supervisors of Del Norte County, sitting as the county board of equalization, in addition to its regular equalization duties, shall also, in the same manner and under the same rules, equalize the valuation of property for purposes of

Equalization
of assess-
ments

assessment by the district in accordance with the requirements of this section and any such changes made by the county board of equalization in the assessment roll shall be entered in the manner prescribed by the State Board of Equalization.

Failure to
seek change

If, for purposes of assessments by the district, a change in the assessment for county taxation purposes is not sought under this section before the end of the period during which such assessment may be equalized, or corrected on a petition for reassessment, such assessment, if valid for county taxation purposes, is conclusively presumed to be the correct assessment for assessment purposes of the district.

Necessary
procedure

The board may, by ordinance, prescribe any necessary procedure, in accordance with the policy of this act, for the purpose of assessing, equalizing, levying, and collecting taxes or assessments for the district for the Fiscal Year 1955-1956. Except as provided in this section, Section 20 of this act is applicable to the assessment and equalization of property for the purpose of district assessments for the Fiscal Year 1955-1956.

Bonds as
legal
investments

SEC. 22. The bonds of the district issued for any zone, sub-zone, or zones thereof pursuant to this act, shall be legal investments for all trust funds, and for the funds of all insurance companies, banks, both commercial and savings, and trust companies, and for the state school funds, and whenever any money or funds may by law now or hereafter enacted be invested in bonds of cities, cities and counties, counties, school districts or municipalities in the State of California, such money or funds may be invested in the said bonds of said district issued in accordance with the provisions of this act, and whenever bonds of cities, cities and counties, counties, school districts or municipalities, may by any law now or hereafter enacted be used as security for the performance of any act, such bonds of said district may be so used.

This section of this act is intended to be and shall be considered the latest enactment with respect to the matters herein contained, and any and all acts or parts of acts in conflict with the provisions hereof are hereby repealed.

Bonds
exempt
from tax

SEC. 23. All bonds issued by said district under the provisions of this act shall be free and exempt from all taxation within the State of California. It is hereby declared that the district organized by this act is a reclamation district and an irrigation district within the meaning of Section 1 $\frac{1}{2}$, Article XIII, of the Constitution of this State.

Contracts
for improve-
ment, etc

SEC. 24. All contracts for any improvement or unit of work when the cost thereof according to the estimate of the engineer, will exceed two thousand dollars (\$2,000), shall be let to the lowest responsible bidder or bidders therefor in the manner hereinafter provided. The board shall first determine whether such contract shall be let as a single unit for the whole of the work, or shall be divided into severable convenient parts, or both, according to the best interests of the district. The board shall make call for bids and advertise such

Bids

call by three (3) insertions in a daily newspaper of general circulation or by two (2) insertions in a weekly newspaper of general circulation printed and published in said district inviting sealed proposals for the construction or performance of the improvement or work before any contract is made therefor. Such call for bids shall state whether such work is to be performed as a unit for the whole thereof or shall be divided into severable convenient specific parts, or both, as stated in the call. The board may let such work by single contract for the whole thereof as a unit or it may divide such work into severable convenient parts by separate contracts, as stated in such call, according to the best interests of the district. The board shall require the successful bidder or bidders to file with the board good and sufficient bonds to be approved by the board conditioned upon the faithful performance of the contract and upon the payment of their claims for labor and material in connection therewith, such bonds to contain the terms and conditions set forth in Chapter 3 of Division 5 of Title 1 of the Government Code and to be subject to the provisions of that chapter. The board shall also have the right to reject any and all bids. In the event all proposals are rejected or no proposals are received pursuant to advertisement therefor, or the estimated cost of such work does not exceed the sum of two thousand dollars (\$2,000), or the work consists of channel protection, or maintenance work, or emergency work when necessary in order to protect life and property from impending flood damage, the board of supervisors may without advertising for bids therefor have said work done by force account. The district shall have the power to purchase in the open market without advertising for bids therefor, materials and supplies for use in any work therewith either under contract or by force account.

SEC. 25. Any improvement for which bonds are voted under the provisions of this act, shall be made in conformity with the report, plans, specifications and map theretofore adopted, as above specified, unless the doing of any of such work described in said report, shall be prohibited by law, or be rendered contrary to the best interests of the district by some change of conditions in relation thereto, in which event the board of supervisors may order necessary changes made in such proposed work or improvements and may cause any plans and specifications to be made and adopted therefor.

SEC. 26. Whenever bonds have been authorized by any zone, subzone, or participating zone of said district and the proceeds of the sale thereof have been expended as in this act authorized, and the board shall by resolution determine that additional bonds should be issued for carrying out the work of flood control, or for any of the purposes of this act, the board may again proceed as in this act provided, and submit to the qualified voters of said zone, subzone, or participating zone, the question of issuing additional bonds in the same manner and with like procedure as hereinbefore provided, and all the

above provisions of this act for the issuing and sale of such bonds, and for the expenditure of the proceeds thereof, shall be deemed to apply to such issue of additional bonds.

Insufficient
votes

SEC. 27. Should a proposition for issuing bonds for any zone, subzone, or participating zones submitted at any election under this act fail to receive the requisite number of votes of the qualified electors voting at such election to incur the indebtedness for the purpose specified, the board shall not for six months after such election call or order another election in such zone, subzone, or participating zone for incurring indebtedness and issuing bonds under the terms of this act for the same objects and purposes.

Effect of
repeal or
amendment

SEC. 28. The repeal or amendment of this act shall not in any way affect or release any of the property in said district or any zone or subzone thereof from the obligations of any outstanding bonds or indebtedness until all such bonds and outstanding indebtedness have been fully paid and discharged.

Grant of
right of way

SEC. 29. There is hereby granted to Del Norte County Flood Control District the right of way for the location, construction and maintenance of flood control channels, ditches, waterways, conduits, canals, storm dikes, embankments, and protective works in, over and across public lands of the State of California, not otherwise disposed of or in use, not in any case exceeding in length or with that which is necessary for the construction of such works and adjuncts or for the protection thereof. Whenever any selection of a right of way for such works or adjuncts thereto is made by the district the board thereof must transmit to the State Lands Commission, the Controller of the State and the recorder of the county in which the selected lands are situated, a plat of the lands so selected, giving the extent thereof and the uses for which the same is claimed or desired, duly verified to be correct. If the State Lands Commission shall approve the selections so made it shall endorse its approval upon the plat and issue to the district a permit to use such right of way and lands.

Relocation
of streets,
roads, etc

SEC. 30. If by any agreement or judgment in condemnation the district shall be required to relocate any street, road, highway, railroad, canal or other property subject or devoted to public use, the board shall have power to acquire in the name of the district, by agreement or condemnation, all rights of way and other property necessary or proper for compliance with said agreement or said judgment of condemnation and thereafter to make such conveyance of such relocated street, road, highway, railroad, canal, or other property as may be proper to comply with said agreement or judgment. It shall be provided in all agreements for exchange of property and judgments requiring relocation of other public uses as specified in this section and in Section 7 of this act, that in making such exchanges it shall be specifically provided that such property so condemned and exchanged be limited to public use by the party with whom such exchange is made.

SEC. 31. Claims against the district whether arising out of contract, tort, or inverse eminent domain must be made in writing and filed with the board within six months after the cause of action arises. Claims shall be presented in the general form and manner prescribed by general law relating to the making and filing of claims against counties. Such claims may be amended within said six months to correct defects in form or statement of facts. No action against the district shall be commenced or maintained unless such claim relating thereto has been filed as hereinabove prescribed and action thereon commenced within one year after the cause of action arose.

Claims
against
district

SEC. 32. The legal title to all property, except shares of stock in mutual water companies or corporations relating to water supply, as provided in Section 31d, Article IV, of the Constitution, acquired under the provisions of this act shall immediately and by operation of law vest in said district, and shall be held by said district, in trust for, and is hereby dedicated and set apart to, the uses and purposes set forth in this act. The board is hereby authorized and empowered to hold, use, acquire, manage, occupy and possess said property, as herein provided; and said board may determine, by resolution duly entered in their minutes that any property, real or personal, held by said district is no longer necessary to be retained for the uses and purposes thereof, and may thereafter sell, lease or otherwise dispose of said property in the manner prescribed by law for such action by counties.

Legal
title to
property

SEC. 33. The district formed under this act in order to determine the legality of its existence, may institute a proceeding therefor in the superior court of this State, in and for the County of Del Norte, by filing with the clerk of said county a complaint setting forth the name of the district, its exterior boundaries, the date of its organization and a prayer that it be adjudged a legal flood control and water conservation and development district formed under the provisions of this act. The summons in such proceeding shall be served by publishing a copy thereof once a week for four weeks in a newspaper of general circulation published in said county. The State of California shall be construed to be a defendant in such action, and consent therefor is given. Service of summons therein shall be made on the Attorney General. The Attorney General shall appear in such action on behalf of the State in the same manner as with appearances in civil actions. Within thirty (30) days after proof of publication of said summons shall have been filed in said proceeding, the State, any property owner or resident in said district, or any person interested may appear as a defendant in said action by serving and filing an answer to said complaint, in which case said answer shall set forth the facts relied upon to show the invalidity of the district and shall be served upon the district attorney before being filed in such proceedings. Such proceeding is hereby declared to be a proceeding in rem and the final judgment ren-

Proceeding
to determine
legality
of district

Summons

Defendants

dered therein shall be conclusive against all persons whomsoever and against the State of California.

Operative
date

SEC. 34. For the purposes of this Section 34, this act shall go into effect as soon as permitted by the State Constitution. For all other purposes generally, this act shall go into effect on the one hundred fiftieth day after final adjournment of the 1955 General Session of the Legislature.

Employees'
bonds

Employees appointed by the board under this act when required by resolution therefor of the board of supervisors of the district, shall execute bonds conditioned, executed, approved, filed, and recorded in the general manner and form provided by law for officers, other than supervisors, of said county, before entering upon the duties of their respective employments.

Liberal
construction

SEC. 35. This act, and every part thereof, shall be liberally construed to promote the objects thereof, and to carry out its intents and purposes.

Severability

SEC. 36. In case any section or sections, or part of any section, of this act, shall be found to be unconstitutional or invalid, for any reason, the remainder of the act shall not thereby be invalidated, but shall remain in full force and effect.

CHAPTER 167

An act to amend Sections 4870, 4895, 4910, and 4926 of, and to add Section 4906.1 to, the Health and Safety Code, relating to sewer maintenance districts.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4870 of the Health and Safety Code is amended to read:

Formation:
Territory

4870. Any portion of the territory of a county, whether incorporated or unincorporated, in which lateral or collecting sanitary sewers have been installed, for the maintenance and repair of which provision is not otherwise made, may be formed into a district, except that no portion of any city shall be included within such a district unless consent of the governing body of the city is first obtained.

Annexation
Territory

SEC. 2. Section 4895 of said code is amended to read:
4895. Outlying territory, whether incorporated or unincorporated, and whether contiguous or not, may be annexed to a district as provided in this article, except that no portion of any city shall be annexed unless consent of the governing body of the city is first obtained.

Exclusion
Alternative
procedure

SEC. 3. Section 4906.1 is added to said code, to read:
4906.1. As an alternative to the procedure outlined in Section 4906, the board may by resolution entered in its minutes fix a time for a hearing on the question of the exclusion of any

portion of a district which will not be benefited by remaining in the district. The time fixed for the hearing shall not be less than 15 or more than 30 days from and after passage of the resolution.

SEC. 4. Section 4910 of said code is amended to read:

4910. If the board finds that the territory proposed to be excluded will not be benefited by remaining in the district, and that the territory not proposed to be excluded will be benefited by continuing as a district, it shall by resolution declare the district re-established excluding therefrom the territory found not benefited by remaining in the district.

Determina-
tion of
benefit

SEC. 5. Section 4926 of said code is amended to read:

4926. If less than the whole of a district is included in a city either by reason of annexation or by reason of incorporation proceedings, the territory so included within the city shall continue to remain a part of the district for all purposes until a copy of a resolution adopted by the city requesting exclusion of such territory from the district is received by the board. Upon receipt of such a resolution requesting exclusion of the territory contained within the city, such territory shall be excluded from the district and the remaining territory shall continue as a district. But the exclusion of such territory from the district shall not be effective until all outstanding contracts of the district have expired or the contracts, with the consent of the parties, have been modified or canceled so as to relieve the district of further obligation to pay for future maintenance in the affected territory.

Inclusion
of part of
territory
in city

CHAPTER 168

An act to amend Section 117 of the Code of Civil Procedure, relating to the jurisdiction and venue of the small claims court.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 117 of the Code of Civil Procedure is hereby amended to read:

117. All judges of the justice court and judges of the municipal court shall exercise the jurisdiction conferred by this chapter, and while sitting in the exercise of said jurisdiction shall be known and referred to as the small claims court; provided, that the jurisdiction of such court, when sitting as a small claims court, shall be confined to cases for the recovery of money only where the amount claimed does not exceed one hundred dollars (\$100).

Actions shall be commenced and maintained in small claims court as follows:

(1) When a defendant has contracted to perform an obligation in a particular judicial district, an action founded on such obligation may be commenced and maintained either in the judicial district where such obligation is to be performed, or in which the defendant, or any such defendant, resides at the commencement of the action.

(2) When the action be for injury to person, or to personal property, either the judicial district where the injury occurs, or where the defendants, or any of them, reside at the commencement of the action, shall be the proper judicial district for the trial of the action.

(3) In all other cases, actions shall be commenced and maintained in the judicial district in which the defendant, or any such defendant, resides at the commencement of the action.

CHAPTER 169

An act to amend Sections 290, 647, and 647a of the Penal Code, relating to the offense of loitering.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 290 of the Penal Code is amended to read:

Registration
of sex
offenders

290. Any person who, since the first day of July, 1944, has been or is hereafter convicted in the State of California of the offense of assault with intent to commit rape or the infamous crime against nature, under Section 220, or of any offense defined in Sections 266, 267, 268, 285, 286, 288, 288a, subdivision 1 of Section 647a, subdivision 3 or 4 of Section 261, subdivision 5 of Section 647, or subdivision 1 or 2 of Section 311 of this code, or of any offense involving lewd and lascivious conduct under Section 702 of the Welfare and Institutions Code; or any person who since said date has been or is hereafter convicted of the attempt to commit any of the above-mentioned offenses; or any person who since said date or at any time hereafter is discharged or paroled from a penal institution where he was confined because of the commission or attempt to commit one of the above-mentioned offenses; or any person who since said date or at any time hereafter is determined to be a sexual psychopath under the provisions of Chapter 4 of Part 1 of Division 6 of the Welfare and Institutions Code; or any person who has been since said date or is hereafter convicted in any other state of any offense which, if committed or attempted in this State, would have been punishable as one or more of the above-mentioned offenses shall within 30 days after the effective date of this section or within 30 days of his coming into any county or city, or city and county in which he resides or is temporarily domiciled for such

length of time register with the chief of police of the city in which he resides or the sheriff of the county if he resides in an unincorporated area.

Any person who, after the first day of August, 1950, is discharged or paroled from a jail, prison, school, road camp, or other institution where he was confined because of the commission or attempt to commit one of the above-mentioned offenses or is released from a state hospital to which he was committed as a sexual psychopath under the provisions of Chapter 4 of Part 1 of Division 6 of the Welfare and Institutions Code shall, prior to such discharge, parole, or release, be informed of his duty to register under this section by the official in charge of the place of confinement or hospital and the official shall require the person to read and sign such form as may be required by the State Bureau of Criminal Identification and Investigation, stating that the duty of the person to register under this section has been explained to him. The official in charge of the place of confinement or hospital shall obtain the address where the person expects to reside upon his discharge, parole, or release and shall report such address to the State Bureau of Criminal Identification and Investigation. The official in charge of the place of confinement or hospital shall give one copy of the form to the person, and shall send two copies to the State Bureau of Criminal Identification and Investigation, which bureau, in turn, shall forward one copy to the appropriate law enforcement agency having local jurisdiction where the person expects to reside upon his discharge, parole, or release.

Notice of
duty to
register

Any person who after the first day of August, 1950, is convicted in the State of California of the commission or attempt to commit any of the above-mentioned offenses and who is released on probation or discharged upon payment of a fine shall, prior to such release or discharge, be informed of his duty to register under this section by the court in which he has been convicted and the court shall require the person to read and sign such form as may be required by the State Bureau of Criminal Identification and Investigation, stating that the duty of the person to register under this section has been explained to him. The court shall obtain the address where the person expects to reside upon his release or discharge and shall report within three days such address to the State Bureau of Criminal Identification and Investigation. The court shall give one copy of the form to the person, and shall send two copies to the State Bureau of Criminal Identification and Investigation, which bureau, in turn, shall forward one copy to the appropriate law enforcement agency having local jurisdiction where the person expects to reside upon his discharge, parole, or release.

Such registration shall consist of (a) a statement in writing signed by such person, giving such information as may be required by the State Bureau of Criminal Identification, and (b) the fingerprints and photograph of such person. Within

Contents of
registration

three days thereafter the registering law enforcement agency shall forward such statement, fingerprints and photograph to the State Bureau of Criminal Identification and Investigation.

Change of
address

If any person required to register hereunder changes his residence address he shall inform, in writing within 10 days, the law enforcement agency with whom he last registered of his new address. The law enforcement agency shall, within three days after receipt of such information, forward it to the State Bureau of Criminal Identification and Investigation. The State Bureau of Criminal Identification and Investigation shall forward appropriate registration data to the law enforcement agency having local jurisdiction of the new place of residence.

Penalty

Any person required to register under the provisions of this section who shall violate any of the provisions thereof is guilty of a misdemeanor.

Records
not public

The statements, photographs and fingerprints herein required shall not be open to inspection by the public or by any person other than a regularly employed peace or other law enforcement officer.

Vagrants

SEC. 2. Section 647 of said code is amended to read:

647. 1. Every person (except a California Indian) without visible means of living who has the physical ability to work, and who does not seek employment, nor labor when employment is offered him; or,

2. Every beggar who solicits alms as a business, or,

3. Every person who roams about from place to place without any lawful business; or,

4. Every person known to be a pickpocket, thief, burglar or confidence operator, either by his own confession, or by his having been convicted of any of such offenses, and having no visible or lawful means of support, when found loitering around any steamboat landing, railroad depot, banking institution, broker's office, place of amusement, auction room, store, shop or crowded thoroughfare, car, or omnibus, or any public gathering or assembly; or,

5. Every lewd or dissolute person, or every person who loiters in or about public toilets in public parks; or,

6. Every person who wanders about the streets at late or unusual hours of the night, without any visible or lawful business; or,

7. Every person who lodges in any barn, shed, shop, outhouse, vessel, or place other than such as is kept for lodging purposes, without the permission of the owner or party entitled to the possession thereof; or,

8. Every person who lives in and about houses of ill-fame; or,

9. Every person who acts as a runner or capper for attorneys in and about police courts or city prisons; or,

10. Every common prostitute; or,

11. Every common drunkard; or,

12. Every person who loiters, prowls or wanders upon the private property of another, in the nighttime, without visible or lawful business with the owner or occupant thereof; or who while loitering, prowling or wandering upon the private property of another, in the nighttime, peeks in the door or window of any building or structure located thereon and which is inhabited by human beings, without visible or lawful business with the owner or occupant thereof;

Is a vagrant, and is punishable by a fine of not exceeding five hundred dollars (\$500), or by imprisonment in the county jail not exceeding six months, or by both such fine and imprisonment. ^{Penalty}

SEC. 3. Section 647a of said code is amended to read:

647a. (1) Every person who annoys or molests any child under the age of 18 is a vagrant and is punishable upon first conviction by a fine of not exceeding five hundred dollars (\$500) or by imprisonment in the county jail for not exceeding six months or by both such fine and imprisonment and is punishable upon the second and each subsequent conviction or upon the first conviction after a previous conviction under Section 288 of this code by imprisonment in the state prison for not less than one year. ^{Molesting children}

(2) Every person who loiters about any school or public place at or near which school children attend is a vagrant, and is punishable by a fine of not exceeding five hundred dollars (\$500) or by imprisonment in the county jail for not exceeding six months, or by both such fine and imprisonment. ^{Loitering about schools, etc}

CHAPTER 170

An act to add Section 949a to the Code of Civil Procedure, relating to court jurisdiction over child custody and removal from the State pending appeal.

[Approved by Governor April 19, 1955. Filed with Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 949a is added to the Code of Civil Procedure, to read:

949a. An appeal does not stay proceedings as to those provisions of an order or judgment which award, change or otherwise affect the custody, including the right of visitation, of a minor child in any civil action, action filed under the Juvenile Court Law, or special proceeding; provided, the trial court may, in its discretion, stay execution of such provisions pending review on appeal or for such other period or periods as to it may appear appropriate; provided further, that in the absence of a writ or order of an appellate court providing otherwise, the provisions of such an order or judgment allowing, or eliminating restrictions against, removal

of the minor child from the State are stayed by operation of law for a period of 30 days from entry of the order or judgment and are subject to any further stays ordered by the trial court, as herein provided. The appellate court shall have the power to issue a writ of supersedeas, injunction, or other appropriate writ or order in such proceedings as may be proper in aid of its jurisdiction.

CHAPTER 171

An act to amend Section 28107 of the Government Code, relating to compensation for public service in a county of the seventh class.

In effect
September
7, 1955

[Approved by Governor April 19, 1955 Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 28107 of the Government Code is amended to read:

San Ber-
nardino
County
officers
Salaries

28107. In a county of the seventh class the officers shall receive as compensation for the services required of them by law or by virtue of their offices the salaries and fees fixed pursuant to the charter of the county, except that the following shall receive as compensation for such services the following sums:

(a) The chairman of the board of supervisors, ten thousand dollars (\$10,000), and each other supervisor, six thousand dollars (\$6,000) a year, and his necessary expenses when attending to the business of the county, other than the meetings of the board, and ten cents (\$0.10) a mile in traveling to and from his residence to the county seat. Not more than one mileage at any one regular or special meeting of the board shall be allowed. The compensation provided in this section to be paid to the chairman and to each member of the board is in full for all official services performed by him in any public capacity.

(b) For attending as a grand juror for each day's attendance, including each day's attendance at committee meetings and investigations upon the order of the grand jury, three dollars (\$3); as a juror in the superior court, for each day's attendance, three dollars (\$3). For each mile actually traveled in attending court as a juror, in going only, ten cents (\$0.10); for each mile actually traveled in attending meetings of the grand jury, grand jury committee meetings, and in making investigations upon the order of the grand jury, in going only, ten cents (\$0.10). The grand jury may order members to act as committees thereof and to conduct investigations on its behalf.

CHAPTER 172

An act to add Sections 24204.1 and 24204.2 to, and to amend Section 24208 of, the Financial Code, relating to bonds of licensees under the California Small Loan Law.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 24204.1 is added to the Financial Code, to read:

24204.1. The bond shall remain in force and effect until the surety is released from liability by the commissioner, or until the bond is canceled by the surety.

SEC. 2. Section 24204.2 is added to said code, to read:

24204.2. The surety may cancel the bond and be relieved of further liability by delivering 30 days' written notice to the commissioner. The cancellation does not affect any liability incurred or accrued prior to the termination of the 30-day period.

SEC. 3. Section 24208 of said code is amended to read:

24208. Each licensee shall pay to the commissioner on or before the twentieth day of each December, the sum of two hundred dollars (\$200) as an annual fee for the next succeeding calendar year.

CHAPTER 173

An act to add Section 15102.1 to the Financial Code, relating to credit unions.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 15102.1 is added to the Financial Code, to read:

15102.1. A credit union may purchase from the owner thereof a promissory note upon which a member is primary obligor provided the credit union could have made a loan to such member in the amount and upon the terms and conditions provided in said note under the provisions of this division

CHAPTER 174

An act to amend Section 901 of the Probate Code, relating to compensation of executors and administrators.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 901 of the Probate Code is amended to read:

901. The executor, when no compensation is provided by the will or he renounces all claim thereto, or the administrator, shall receive commissions upon the amount of estate accounted for by him, as follows: For the first thousand dollars (\$1,000), at the rate of 7 percent; for the next nine thousand dollars (\$9,000), at the rate of 4 percent; for the next forty thousand dollars (\$40,000), at the rate of 3 percent; for the next hundred thousand dollars (\$100,000), at the rate of 2 percent; for the next three hundred fifty thousand dollars (\$350,000), at the rate of 1½ percent; and for all above five hundred thousand dollars (\$500,000), at the rate of 1 percent. If there are two or more executors or administrators, the compensation shall be apportioned among them by the court according to the services actually rendered by each

CHAPTER 175

An act to amend Section 7394.1 of the Business and Professions Code, relating to cosmetology.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7394.1 of the Business and Professions Code is amended to read:

7394.1. An electrology course established by a school of cosmetology shall consist of 500 hours of practical training and technical instruction which shall extend over a period of not less than four months. In no event shall the training extend over a period of more than 12 months from the date of initial enrollment.

The course shall be in accordance with a curriculum established by the board.

CHAPTER 176

An act to amend Section 7351 of the Business and Professions Code, relating to manicurists.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7351 of the Business and Professions Code is amended to read:

7351. The board shall admit to examination for a certificate of registration and license as a manicurist, any person who has made application to the board in proper form, paid the fee required by this chapter, and who is qualified as follows:

(a) Who is not less than 18 years of age.

(b) Who is of good moral character and temperate habits.

(c) Who has completed the tenth grade in the public schools of this State or its equivalent.

(d) Who has had any one of the following:

(1) Practical training of at least 350 hours extending over a period of not less than three months under the immediate supervision of a licensed instructor, in a licensed school in which the practice is taught.

(2) Practice in manicuring for a period of one year outside of this State.

CHAPTER 177

An act to repeal Section 7329, and to amend Sections 7331, 7334, 7383, 7393, and 7412 of the Business and Professions Code, relating to cosmetology.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7329 of the Business and Professions Code is repealed.

SEC. 2. Section 7331 of said code is amended to read:

7331. A junior operator is any person who is engaged in learning or acquiring a knowledge of the occupations of a hairdresser and cosmetician or cosmetologist, in a licensed cosmetological establishment, under a licensed hairdresser and cosmetician or cosmetologist.

SEC. 3. Section 7334 of said code is amended to read:

7334. A licensed junior operator may engage in any one or any combination of the occupations of a hairdresser and cosmetician or cosmetologist upon a patron who is paying for service or materials, under the immediate supervision of a licensed hairdresser and cosmetician or cosmetologist in a licensed cosmetological establishment only after he has had 350 hours of instruction.

Every junior operator shall secure his license as a hairdresser and cosmetician or cosmetologist within three years and six months of receiving his license as a junior operator.

SEC. 4. Section 7383 of said code is amended to read:

7383. It is unlawful for any person to employ, or allow to be employed, or permit to work, in or about a cosmetological establishment as a hairdresser and cosmetician or cosmetologist, as a junior operator, as a permanent waver, as an electrologist, as a junior electrologist or as a manicurist, any person not duly registered or licensed by the board.

Any person violating the provisions of this section is guilty of a misdemeanor.

SEC. 5. Section 7393 of said code is amended to read:

7393. Every school shall, at all times, be in charge of and under the immediate supervision of a licensed hairdresser and

cosmetician or cosmetologist, who has had at least a total of three years practical experience in the practice or teaching of all of the branches of cosmetology, except the branch of electrology, in a licensed cosmetological establishment or a licensed school of cosmetology and who holds an instructor's permit.

Instructors:
Qualifications

Every person employed in a school to instruct students therein shall be a licensed hairdresser and cosmetician or cosmetologist (1) who has had either (a) one year of practical experience in all branches of cosmetology, except the branch of electrology, in a licensed cosmetological establishment or (b) 600 hours of teacher training in a school of cosmetology over a period of not less than four months and (2) who has passed an instructor's examination given by the board and has received an instructor's permit. In order to take the instructor's examination, the instructor's examination fee shall be paid.

Duties

All instructors shall be continuously engaged in teaching students in theoretical or practical work. Except when instructing a student and the student is doing the manual work, no instructor may practice upon a patron and any instructor who does so is subject to disciplinary action by the board.

Number

Every school shall have at least two instructors and when the enrollment for either day or night school averages more than 50 students for a period of three months, an additional instructor shall be engaged for each three months average of 25 students after the first 50.

School
licenses
Inspection
before
issuance

Before any school license, as provided herein shall be finally granted, a second inspection shall be made after the equipment has been installed and before the school is permitted to begin operation.

Requirements

No applicant shall be granted a license to operate a school unless, in the opinion of the board, sufficient equipment has been installed for the requirements of enrolling a minimum of not less than 25 bona fide students; and provided further, that the floor space shall provide a separate lecture room and a separate locker room with sufficient space for the proper placement of said equipment.

No school shall be licensed until the board has had ample opportunity to verify sworn statements as to the actual ownership and in this respect, if false statements are submitted to the board in connection with said application, this in itself shall constitute sufficient grounds for the refusal to grant any application hereunder, or if an application is granted and thereafter the board discovers that false statements were made in connection therewith, this shall constitute sufficient grounds for the cancellation of said school license even though it is detected after a license has been issued.

Penal

The board reserves the right to deny school license to any applicant who fails to present satisfactory evidence of personal integrity and moral responsibility, and in the event that the said applicant is a corporation, this shall apply to all the

officers thereof; provided further, that no school license shall be issued until the real owner files with the department a statement definitely designating who is authorized to accept service of notice from the said board and to transact all business negotiations in behalf of the said school, including answers to citations for hearing, and compliance with rulings issued by the said board.

No person, firm or corporation shall be granted a license to operate a school of cosmetology unless he first presents to the board 25 verified applications for enrollment as students for a course of training of the minimum number of hours and months required by this chapter. Verified applications for enrollment

No school shall advertise student work to the public for pay through any medium including radio, unless the work advertised is expressly designated as student work. Advertising

SEC. 6. Section 7412 of said code is amended to read:

7412. Every registered hairdresser and cosmetician or cosmetologist, junior operator, electrologist, junior electrologist, manicurist and permanent waver, shall, within 30 days after changing the address of his place of business, as designated on the books of the board, notify the secretary of his new place of business, and, upon receipt of the notification, the secretary shall make the necessary changes in the register. Notification of change of address

CHAPTER 178

An act to amend Section 683 of the Civil Code, relating to joint tenancy.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 683 of the Civil Code is amended to read:

683. A joint interest is one owned by two or more persons in equal shares, by a title created by a single will or transfer, when expressly declared in the will or transfer to be a joint tenancy, or by transfer from a sole owner to himself and others, or from tenants in common or joint tenants to themselves or some of them, or to themselves or any of them and others, or from a husband and wife, when holding title as community property or otherwise to themselves or to themselves and others or to one of them and to another or others, when expressly declared in the transfer to be a joint tenancy, or when granted or devised to executors or trustees as joint tenants. A joint tenancy in personal property may be created by a written transfer, instrument or agreement. Provisions of this section shall not restrict the creation of a joint tenancy in a bank deposit as provided for in the Bank Act.

CHAPTER 179

An act to add Section 960.5 to the Military and Veterans Code, relating to veterans graves.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 960.5 is added to the Military and Veterans Code, to read:

960.5. Whenever in any cemetery or place of burial of human remains there is any known grave of a former soldier, sailor, or marine of the United States who was not dishonorably discharged from the service, the board of supervisors as to unincorporated territory, or the governing body of the city as to territory within it, with the consent of the officers who manage such cemetery or place of burial, if any may keep such grave properly marked and identified, and free from weeds and rubbish, and keep in decent order and repair and free from defacement, injury, and unlawful markings any tomb, monument, gravestone, wall, or other appurtenance to such grave.

CHAPTER 180

An act to amend Section 25006 of the Corporations Code, relating to the definition of the word "broker" under the Corporate Securities Law.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 25006 of the Corporations Code is amended to read as follows:

25006. (a) "Broker" includes every person or company, other than an agent, who, in this State, engages either wholly or in part in the business of selling, offering for sale, negotiating for the sale of, or otherwise dealing in, any security issued by others, including all securities of the classes listed in Section 25100, or of underwriting any issue of such securities, or of purchasing such securities with the purpose of reselling them, or of offering them for sale to the public.

(b) However, "broker" does not include a bank subject to the supervision of the Superintendent of Banks of the State of California or of the Comptroller of the Currency of the United States, or the following, or any agent or agency of any of the following: the United States of America or any territory or insular possession thereof, or the District of Columbia, or any state, territory, county, or municipality, or taxing district therein.

CHAPTER 181

An act to amend Section 591 of the Vehicle Code, relating to illegal parking.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 591 of the Vehicle Code is amended to read:

591. Illegal Parking. (a) In any prosecution charging a violation of any regulation governing the standing or parking of a vehicle under this code or any ordinance enacted by local authorities, proof by the people of the State of California that the particular vehicle described in the complaint was parked in violation of any provision of this code or such ordinance, together with proof that the defendant named in the complaint was at the time of such parking the registered owner of such vehicle, shall constitute in evidence a prima facie presumption that the registered owner of such vehicle was the person who parked or placed such vehicle at the point where, and for the time during which, such violation occurred, but for the purposes of this section proof that a person is the registered owner of a vehicle shall not create a presumption that such registered owner has violated any other provision of law. The above provisions shall apply only when the following conditions are complied with:

(1) During the time of such illegal parking a notice thereof shall be securely attached to said vehicle setting forth the fact of such illegal parking including reference to the section of this code or of such ordinance so violated, the approximate time thereof and the location where such violation occurred and fixing a time and place for appearance by the registered owner in answer to said notice.

Such notice shall be attached to said vehicle either on the steering post or front door handle thereof or in such other conspicuous place upon the vehicle as to be easily observed by the person in charge of such vehicle upon his return thereto.

(2) Before any warrant of arrest shall issue following the filing of a complaint charging the offense of illegal parking, a notice of such illegal parking must be given to the person so charged. Such notice shall contain the information required in paragraph (1) above and shall also inform such registered owner that unless he appears in the court to be designated in said notice within five days after service of such notice and answers said charge, a warrant or citation to appear will be issued against him.

Such notice shall be given, either by personal delivery thereof to such owner or by deposit in the United States mail of an envelope with postage prepaid which said envelope shall contain such notice and shall be addressed to such owner at

his address as shown by the records of the department. The giving of notice by personal delivery is complete upon delivery of a copy of said notice to said person. The giving of notice by mail is complete upon the expiration of 10 days after said deposit of such notice.

Proof of giving such notice may be made by the certificate of any traffic or police officer or affidavit of any person over 18 years of age naming the person to whom such notice was given and specifying the time, place and manner of the giving thereof.

CHAPTER 182

An act to add Section 702 to the Vehicle Code, relating to the loading of vehicles.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 702 is added to the Vehicle Code, to read :
702. Trailers Transported Upon Other Vehicles. No vehicle upon which is loaded any trailer shall be driven or moved on any highway unless the trailer is securely bound to the vehicle in such a manner as to prevent the trailer from shifting, toppling over, or otherwise becoming unstable.

CHAPTER 183

An act to amend Section 25 of the Civil Code, relating to minors.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 25 of the Civil Code is amended to read:

25. Minors are all persons under 21 years of age; provided, that this section shall be subject to the provisions of the titles of this code on marriage and shall not be construed as repealing or limiting the provisions of Section 204 of this code; provided further, that any person who has reached the age of 18 years and thereafter contracts a lawful marriage, or who has contracted a lawful marriage and thereafter reaches the age of 18 years, shall in the first instance upon contracting such marriage, and in the second instance upon reaching the age of 18 years, be of the age of majority and be deemed an adult person for the purpose of entering into any engagement or transaction respecting property or his estate, or for the purpose

of entering into any contract, or for the purpose of maintaining or defending an action affecting his marital status, including therein any action or proceeding involving his support or the support or custody of children of the marriage, or determination of property rights, the same as if he were 21 years of age. Subsequent judgment of annulment of such marriage shall not deprive such person of his adult status once attained under the foregoing provision, unless such judgment is obtained in an action commenced prior to his reaching the age of 18 years, in which latter event he shall be deemed to have remained a minor at all times notwithstanding such marriage.

CHAPTER 184

An act to add Sections 1192.1 and 1192.2 to the Penal Code, relating to pleas of guilty.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1192.1 is added to the Penal Code, to read:

1192.1. Upon a plea of guilty to an information or indictment accusing the defendant of a crime divided into degrees when consented to by the district attorney in open court and approved by the court, such plea may specify the degree thereof and in such event the defendant cannot be punished for a higher degree of the crime than the degree specified.

SEC. 2. Section 1192.2 is added to the Penal Code, to read:

1192.2. Upon a plea of guilty before a committing magistrate as provided in Section 859a of this code, to a crime divided into degrees, when consented to by the district attorney in open court and approved by such magistrate, such plea may specify the degree thereof and in such event, the defendant cannot be punished for a higher degree of the crime than the degree specified.

CHAPTER 185

An act to amend Section 987a of the Penal Code, relating to compensation of counsel appointed by a court to defend indigent persons charged with crime and compensation of public defenders in certain cases.

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 987a of the Penal Code is amended to read:

987a. In any case in which counsel is assigned in the superior court to defend a person who is charged therein with crime, or is assigned in a municipal or justice's court, or justice court as established pursuant to the Municipal and Justice Court Act of 1949, to represent such a person on a preliminary examination in such a court and who desires but who is unable to employ counsel, such counsel, in a county, or city and county, in which there is no public defender, or in a case in which the court finds that because of conflict of interest or other reasons the public defender has properly refused to represent the person accused, shall receive a reasonable sum for compensation and for necessary expenses, the amount of which shall be determined by the court, to be paid out of the general fund of the county.

The board of supervisors may by contract provide that any public defender duly appointed or elected may charge reasonable fees to the Department of Corrections for representing inmates of prisons under its control, and the Department of Corrections may upon approval by the court pay such fees into the county treasury to be placed in the general fund of the county.

CHAPTER 186

An act to amend Sections 803, 803.5, 806, 828.15, 828.25, 828.4, and 829.2 of the Agricultural Code, relating to standard containers for fruit, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 803 of the Agricultural Code is amended to read:

Peaches: 803. Fresh peaches shall be mature but not overripe; free from insect injury which has penetrated or damaged the flesh, split pits which are open at the stem end, and from mold, brown rot, and decay, and free from serious damage, due to cuts or skin breaks, growth cracks, bruises, scab, rust, blight, disease, hail, or other causes. Damage to any one peach is not serious unless it causes a waste of 10 percent, by weight, of the individual peach.

Tolerances Not more than 10 percent, by count, of the peaches in any one container or bulk lot may be below these requirements, but not to exceed one-half of this tolerance shall be allowed for any one cause.

Sizes Packed peaches shall not vary in size between the fruits, in any one container, more than three-eighths of an inch in diameter, when measured through the widest portion of the cross section.

Peaches of the freestone variety shall not be considered mature unless at the time of picking, the flesh breaks free from the pit. In addition the flesh of peaches of the Elberta variety shall be a yellowish color. Maturity

All containers of fresh peaches shall bear upon them in plain sight and in plain letters on one outside end: The name of the person who first authorized the packing of the peaches or the name under which such packer is engaged in business, together with a sufficiently explicit address to permit ready location of such packer; the name of the variety, if known, and when not known the words "unknown variety"; the size description, when the peaches are packed in the four-basket crate, or the count when wrapped and packed throughout, in straight side containers in uniform layers and rows. Container marking

In the case of the four-basket crate the numerical description of the pack in the top layer of the baskets shall be used to designate size. When the count is used to designate the contents of the container a variation of four peaches more or less than the number stated shall be allowed.

Peaches, when packed, shall be in standard containers numbers 1, 1A, 5, 6, 7, 8, 9, 9A, 9B, 12B, 15, 16, 17, 18, 18A, 22D, 25, 26, 27, 27A, or 27B. Other size containers may be used if conspicuously marked on the outside of the end which bears any marks intended to describe the contents of such container, in letters not less than one-half inch in height, "irregular container." Container

SEC. 2. Section 803 5 of said code is amended to read:

803.5. Nectarines shall be mature, but not overripe; free from insect injury which has penetrated or damaged the flesh, split pits which are open at the stem end; and from mold, brown rot, and decay which has affected the edible portion; and free from serious damage due to skin breaks or cuts, growth cracks, bruises, or other causes. Damage to any one nectarine is not serious unless it causes a waste of 10 percent, by weight, of the individual nectarine. Nectarines

Nectarines shall not be considered mature unless at the time of picking (a) an aggregate area of at least one inch in diameter of the surface of the individual fruit has broken from green or dark green to a distinct flecking of light green or a light green indicating equivalent maturity, or (b) the shoulders and suture are well developed and filled out. Maturity

Except in the case of nectarines affected by split pits which are visible, not more than 10 percent, by count, of the nectarines in any one container or bulk lot may be below these requirements, but not to exceed one-half of this tolerance shall be allowed for any one cause. In the case of nectarines affected by split pits which are visible, an additional tolerance of not more than 10 percent, by count, of the nectarines in any one container or bulk lot shall be allowed. Tolerances

Packed nectarines shall not vary in size between the fruits, in any one container, more than three-eighths of an inch in Sizes

diameter, when measured through the widest portion of the cross section.

Container
markings

All containers of fresh nectarines shall bear upon them in plain sight and in plain letters on one outside end: the name of the person who first authorized the packing of the nectarines or the name under which such packer is engaged in business, together with a sufficiently explicit address to permit ready location of such packer; the name of the variety, if known, and when not known the words "unknown variety"; the size description, when the nectarines are packed in the four-basket crate, or the count, when wrapped and packed throughout, in straight side containers in uniform layers and rows.

In the case of the four-basket crate the numerical description of the pack in the top layer of the basket shall be used to designate size. When the count is used to designate the contents of the container a variation of four nectarines more or less than the number stated shall be allowed.

Containers

Nectarines, when packed, shall be in standard containers numbers 1, 1A, 5, 6, 7, 8, 9, 9A, 9B, 12B, 12C, 15, 16, 17, 18, 18A, 22B, 22D, 25, 26, 27 or 27A. Other size containers may be used if conspicuously marked on the outside of the end which bears any marks intended to describe the contents of such container, in letters not less than one-half inch in height, "irregular container."

SEC. 3. Section 806 of said code is amended to read:

Plums and
fresh prunes:

806. Plums and fresh prunes shall be mature but not over-ripe, shall be free from insect injury which has penetrated or damaged the flesh, and from unsealed skin breaks or cuts, mold, brown rot, decay, and free from serious damage due to bruises, growth cracks, sunburn, hail, doubles, insects, internal growth cracks, cavities, gum spots or other causes.

Serious
damage

Damage to any one plum or fresh prune is serious if it is caused by:

(a) Bruises which affect the flesh more than three-sixteenths of an inch in depth or more than an aggregate surface area of one-half of an inch in diameter.

(b) Growth cracks over one-half of an inch in length or over three-sixteenths of an inch in depth.

(c) Sunburn affecting the flesh.

(d) Hail resulting in one or more depressions over three-sixteenths of an inch in depth or affecting more than an aggregate surface area of one-half of an inch in diameter.

(e) Doubles, when one portion is one-fourth or less in size than the other portion of the plum or fresh prune.

(f) Thrip marks or other similar insect injury when 15 percent or more of the surface of the plum or fresh prune is affected or causing one or more depressions or raised portions (bumps or welts) one-fourth of an inch or more in depth or height.

(g) Internal growth cracks, cavities, or gum spots when they cause the plum to be seriously malformed

Not more than 10 percent, by count, of the plums or fresh prunes in any one container or bulk lot may be below these requirements, but not to exceed one-half of this tolerance shall be allowed for any one cause. Tolerances

An additional tolerance of 10 percent, by count, of the plums or fresh prunes in any one container or bulk lot shall be permitted for plums or fresh prunes damaged by hail, providing that: Additional tolerance

(1) In the case of plums or fresh prunes having a minimum diameter of $1\frac{7}{16}$ inches or larger, the hail damage on each individual plum or fresh prune, permitted in said additional tolerance, does not exceed a depth which is three-sixteenths of the minimum diameter of the plum or fresh prune, or an aggregate surface area with a diameter equal to one-half of the minimum diameter of the plum or fresh prune; or

(2) In the case of plums or fresh prunes having a minimum diameter of less than $1\frac{7}{16}$ inches, the hail damage on each individual plum or fresh prune, permitted in said additional tolerance, does not exceed a depth of one-quarter of an inch or an aggregate surface area of eleven-sixteenths of an inch in diameter; and

(3) The containers in which they are placed or packed are plainly and conspicuously marked, on the outside end of each container on which appears the other required markings, in letters not less than one-half inch in height, with the words "Hail Marked" or when in bulk lots they are conspicuously placarded "Hail Marked." Markings on containers of fruit damaged by hail

Plums and fresh prunes shall not vary in size between the fruits, in any one container, more than one-fourth of an inch in diameter when measured through the widest portion of cross section. Size

All containers of plums and fresh prunes, shall bear upon them in plain sight and in plain letters on one outside end all of the following information: Container markings

(a) The name of the person who authorized the packing of the plums and fresh prunes or the name under which he is engaged in business.

(b) A sufficiently explicit address to permit ready location of such person.

(c) The name of the variety of plums or fresh prunes, if known, and if not known, the words "unknown variety."

(d) A designation indicating the size of the plums or fresh prunes in the container as follows:

(1) When packed in the four-basket crate, the description of the arrangement of the pack in the top layer of the baskets.

(2) When wrapped and packed throughout in a straight side container, the count.

(3) When packed without wrappers throughout the container or by the "face and fill" method, in any container other than the four-basket crate, the "row count" directly followed by the word "row," "rows" or the letter "R" all in like size type, or the numerical description.

(4) When loose in any closed container, the numerical description.

Row count

"Row count" shall mean the number of rows of plums or fresh prunes packed laterally across the end of the container.

"Numerical description" shall mean the numerical arrangement which the plums and fresh prunes would pack in the top layer of a basket if packed in the standard four-basket crate and the designations shall indicate the minimum diameters as follows:

"4 x 4 size" means $1\frac{1}{8}$ inches minimum diameter

"4 x 5 size" means $1\frac{3}{8}$ inches minimum diameter

"5 x 5 size" means $1\frac{5}{8}$ inches minimum diameter

"5 x 6 size" means $1\frac{5}{8}$ inches minimum diameter

"6 x 6 size" means $1\frac{5}{8}$ inches minimum diameter

Other sizes, larger or smaller than the numerical descriptions defined herein shall have proportionate minimum diameter requirements.

The "minimum diameter" shall mean the smallest diameter measured through the center of the plum or fresh prune at a right angle to a straight line drawn from the stem end to the distal end thereof.

When the numerical description is used to designate the contents of a container the plums or fresh prunes therein shall conform to the minimum diameter requirements for the numerical description marked on the container.

When the actual count is used to designate the contents of the container, a variation of four plums or fresh prunes more or less than the number stated shall be allowed.

Containers

Plums and fresh prunes shall be in standard containers numbers 1, 1A, 5, 6, 7, 8, 9, 9C, 12A, 12B, 14, 15, 16, 17, 18A, 22B, 22D, 23, 24, 25, 26 or 27.

Container number 23 shall be standard for plums and fresh prunes only when such fruits are wrapped and packed throughout the container.

Container number 25 shall be standard for plums and fresh prunes only when used with a three-eighths inch cleat or an eleven-sixteenths inch cleat regardless of any other provision of Section 828.85.

Container number 25 may be used without a cleat or with any cleat other than those provided for in this section and other size containers than those provided in this section may be used if conspicuously marked on the outside of the end which bears any marks intended to describe the contents of such containers, in letters not less than one-half inch in height, "irregular container."

SEC. 4. Section 828.15 of said code is amended to read:

Crates

828.15.	4	Standard 12-basket crate	-----	$2\frac{7}{8}$	$13\frac{1}{2}$	18
	5	Standard crate	-----	4	16	$16\frac{1}{8}$
	6	Standard crate	-----	$4\frac{1}{4}$	16	$16\frac{1}{8}$
	7	Standard crate	-----	$4\frac{1}{2}$	16	$16\frac{1}{8}$
	8	Standard crate	-----	$4\frac{3}{4}$	16	$16\frac{1}{8}$
	9	Standard crate	-----	5, $5\frac{1}{4}$, or $5\frac{1}{2}$	16	$16\frac{1}{8}$

9A	Standard crate	5 $\frac{3}{4}$	16	16 $\frac{1}{8}$
9B	Special crate	4 $\frac{3}{4}$	14 $\frac{1}{2}$	14 $\frac{1}{2}$
9C	Special plum box	7	12 $\frac{1}{2}$	12 $\frac{1}{2}$

SEC. 5. Section 828.25 of said code is amended to read:

828.25.	12B	California peach box	-----			
		-----	4, 4 $\frac{1}{4}$, 4 $\frac{1}{2}$, 4 $\frac{3}{4}$, 5 or 5 $\frac{1}{2}$	11 $\frac{1}{2}$	16 $\frac{1}{8}$	Standard fruit boxes
	12C	Standard nectarine box	-----			
		-----	2 $\frac{3}{8}$, 2 $\frac{7}{8}$ or 3 $\frac{1}{4}$	11 $\frac{1}{2}$	16 $\frac{1}{8}$	
	13	Standard fruit box	-----	3	11 $\frac{1}{2}$	18
	14	Standard fruit box	-----	3 $\frac{1}{2}$	11 $\frac{1}{2}$	18
	15	Standard fruit box	-----	4	11 $\frac{1}{2}$	18
	16	Standard fruit box	-----	4 $\frac{1}{4}$	11 $\frac{1}{2}$	18
	17	Standard fruit box	-----	4 $\frac{1}{2}$	11 $\frac{1}{2}$	18
	18	Standard fruit box	-----	4 $\frac{3}{4}$	11 $\frac{1}{2}$	18
	18A	Standard fruit box	-----	5	11 $\frac{1}{2}$	18

SEC. 6. Section 828.4 of said code is amended to read:

828.4.	22A	Special lug box	-----	3 $\frac{5}{8}$	11	14 $\frac{5}{8}$	Lug boxes
	22B	Special lug box	-----	4 $\frac{1}{4}$ or 4 $\frac{5}{8}$	12 $\frac{1}{2}$	16 $\frac{1}{8}$	
	22C	Standard lug box	-----	3 $\frac{3}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$	
	22D	Standard lug box	-----	3 $\frac{7}{8}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$	
	23	Standard lug box	-----	4	13 $\frac{1}{2}$	16 $\frac{1}{8}$	
	24	Standard lug box	-----	4 $\frac{1}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$	
	25	Standard lug box	-----	4 $\frac{3}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$	
	26	Standard lug box	-----	5 $\frac{1}{16}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$	
	27	Standard lug box	-----	5 $\frac{3}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$	
	27A	Bay City lug	-----	7 $\frac{3}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$	
	27B	Standard lug box	-----	6 $\frac{1}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$	

SEC. 7. Section 829.2 of said code is amended to read:

829.2. 7. Fresh peaches, numbers, 1, 1A, 5, 6, 7, 8, 9, 9A, 9B, 12B, 15, 16, 17, 18, 18A, 22D, 25, 26, 27, 27A, or 27B. Standard packs and containers

7a. Nectarines, numbers 1, 1A, 5, 6, 7, 8, 9, 9A, 9B, 12B, 12C, 15, 16, 17, 18, 18A, 22B, 22D, 25, 26, 27, or 27A.

8. Fresh pears, numbers 1A, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 26, 27 or 29A. Container number 19 shall be standard only when used with three pads or cushions.

9. Oriental persimmons, numbers, 6, 7, 8, 13, 14, 15, 16, 17, 18, 27 or 32.

10. Plums or fresh prunes, numbers 1, 1A, 5, 6, 7, 8, 9, 9C, 12A, 12B, 14, 15, 16, 17, 18A, 22B, 22D, 23, 24, 25, 26 or 27.

11. "Wonderful" pomegranates, number 34.

SEC. 8. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The containers designated in this act have been used by the industry as "experimental containers" under research and marketing contracts or as "irregular containers" and have proved to be most satisfactory. These containers have reached the point in development where the industry will use them this coming season. It is necessary that they be authorized as standard containers by the beginning of the 1955 shipping season.

CHAPTER 187

An act to amend Section 1194.5 of the Insurance Code, relating to investments by insurance companies.

In effect
September
7, 1955

[Approved by Governor April 19, 1955. Filed with
Secretary of State April 19, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1194.5 of the Insurance Code is amended to read:

1194.5. Excess funds investments may be made in bonds issued by any state, city, county or city and county of any state, or by any department or board of such city, county or city and county, or by any district, state or governmental agency or authority, payable solely out of the revenues from a revenue-producing utility or facility owned, controlled or operated by the issuer of such bonds.

CHAPTER 188

An act making an appropriation to the Attorney General for investigative purposes, to take effect immediately.

In effect
immediately

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The sum of twenty-five thousand dollars (\$25,000) is hereby appropriated out of the General Fund to the Attorney General for use in continuing his investigation of the administration of the Alcoholic Beverage Control Act and matters related thereto, to be expended in accordance with the provisions of Sections 12570 to 12573, inclusive, of the Government Code. The unexpended and unencumbered balance of the appropriation made by this act shall revert at the close of the 1955-1956 Fiscal Year.

SEC. 2. This act makes an appropriation for the usual current expenses of the State within the meaning of Article IV, Section 1, of the State Constitution and shall go into immediate effect.

CHAPTER 189

An act to amend Section 12304 of the Financial Code, relating to reports by check sellers and cashers.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12304 of the Financial Code is amended to read:

12304. Each licensee shall annually on or before the fifteenth day of March file with the commissioner a certified audit report prepared by an independent public accountant containing such relevant information as the commissioner may reasonably require concerning the business and operations during the preceding calendar year of each licensed place of business conducted by a licensee.

CHAPTER 190

An act to amend Section 22411 of the Financial Code, relating to personal property brokers.

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 22411 of the Financial Code is amended to read:

22411. No person shall advertise, print, display, publish, distribute, or broadcast or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner any statement or representation with regard to the business subject to the provisions of this division, including the rates, terms or conditions for making or negotiating loans, which is false, misleading, or deceptive, or which omits to state material information that is necessary to make the statements therein not false, misleading or deceptive, or, in the case of a licensee, which refers to the supervision of such business by the State or any department or official of the State.

CHAPTER 191

An act to add Sections 26907 and 26908 to the Government Code, relating to the destruction of public records.

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26907 is added to the Government Code, to read:

26907. Notwithstanding the provisions of Sections 26201, 26202, and 26205 of this code, the auditor or ex officio auditor may destroy any county, school, or special district claim, warrant or any other paper issued as a warrant voucher which is more than five years old where an index or warrant register is kept or maintained.

The auditor may make a photographic record of the index or warrant register and thereupon may provide for the destruction of such index or warrant register.

SEC. 2. Section 26908 is added to said code, to read:

26908. Notwithstanding the provisions of Sections 4104.3 and 4104.5 of the Revenue and Taxation Code, the auditor, tax collector, or redemption officer having the tax rolls legally in his possession, may, upon order of the board of supervisors, destroy such tax rolls seven years after the last current item has been recorded thereon, provided that a photographic record of the tax roll has been made, one copy of which shall be permanently retained.

CHAPTER 192

An act to amend Sections 166, 166.1, 166.2, 166.3, 1015, 1016, 1017, and 1018 of the Welfare and Institutions Code, and Sections 5061, 5062, 5063, and 5064 of the Penal Code, relating to the property of deceased, escaped, discharged, or paroled inmates of state institutions.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 166 of the Welfare and Institutions Code is amended to read:

Disposition
of property
of inmates
subject to
jurisdiction
of Depart-
ment of
Mental
Hygiene
Death

166. Whenever any person confined in any state institution subject to the jurisdiction of the Department of Mental Hygiene dies, and any personal funds or property of such person remains in the hands of the superintendent thereof, and no demand is made upon said superintendent by the owner of the funds or property or his legally appointed representative, all money or other personal property of such decedent remaining in the custody or possession of the superintendent thereof shall be held by him for a period of three years from the date of death of the decedent, for the benefit of the heirs, legatees, or successors in interest of such decedent.

Upon the expiration of said three-year period, any money remaining unclaimed in the custody or possession of the superintendent shall be delivered by him to the State Treasurer for deposit in the Unclaimed Property Fund under the provisions of Article 1 of Chapter 6 of Title 10 of Part 3 of the Code of Civil Procedure.

Upon the expiration of said three-year period, all personal property and documents of the decedent, other than cash, remaining unclaimed in the custody or possession of the superintendent, shall be disposed of as follows:

(a) All deeds, contracts or assignments shall be filed by the superintendent with the public administrator of the county of commitment of the decedent;

(b) All other personal property shall be sold by the superintendent at public auction, or upon a sealed bid basis, and the proceeds of the sale delivered by him to the State Treasurer in the same manner as is herein provided with respect to

other unclaimed money of the decedent. If he deems it expedient to do so, the superintendent may accumulate the property of several decedents and sell the property in such lots as he may determine; provided, that he makes a determination as to each decedent's share of the proceeds;

(c) If any personal property of the decedent is not salable at public auction, or upon a sealed bid basis, or if it has no intrinsic value, or if its value is not sufficient to justify the deposit of such property in the State Treasury, the superintendent may order it destroyed;

(d) All other unclaimed personal property of the decedent not disposed of as provided in paragraphs (a), (b), or (c) hereof, shall be delivered by the superintendent to the State Controller for deposit in the State Treasury under the provisions of Article 1 of Chapter 6 of Title 10 of Part 3 of the Code of Civil Procedure.

SEC. 2. Section 166.1 of said code is amended to read:

166.1. Whenever any person confined in any state institution subject to the jurisdiction of the Department of Mental Hygiene escapes, or is discharged or paroled from such institution, and any personal funds or property of such person remains in the hands of the superintendent thereof, and no demand is made upon said superintendent by the owner of the funds or property or his legally appointed representative, all money or other personal property of such person remaining in the custody or possession of the superintendent thereof shall be held by him for a period of three years from the date of such escape, discharge, or parole, for the benefit of such person or his successors in interest; provided, however, that unclaimed personal funds or property of paroled minors may be exempted from the provisions of this section during the period of their minority and for a period of one year thereafter, at the discretion of the Director of Mental Hygiene.

Same
Escape, dis-
charge, etc

Upon the expiration of said three-year period, any money remaining unclaimed in the custody or possession of the superintendent shall be delivered by him to the State Treasurer; and upon order of the State Controller, such money shall be deposited in the Special Deposit Fund to the credit of the account in such fund covering unclaimed trust money of the institution from which such person escaped or was discharged or paroled, for the benefit of such person or his successors in interest.

All money deposited in the State Treasury under the provisions of this section shall be subject to the provisions of Article 2 of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code.

Upon the expiration of said three-year period, all personal property and documents of such person, other than cash, remaining unclaimed in the custody or possession of the superintendent, shall be disposed of as follows:

Deeds, etc

(a) All deeds, contracts or assignments shall be filed by the superintendent with the public administrator of the county of commitment of such person;

Securities

(b) All securities shall be delivered by the superintendent to the State Controller for deposit in the State Treasury; and when so deposited, shall be held in the name of the account in the Special Deposit Fund covering unclaimed trust money of such institution, for the benefit of the owner or his successors in interest. For the purposes of this section, "securities" means stocks, bonds, notes, debentures, and any other written evidence of ownership or indebtedness. When any such securities have been deposited in the State Treasury as herein provided, the State Controller shall have all of the powers, with respect to such securities, that are necessary in order to safeguard and conserve the interests of all parties, including the State, having any vested or expectant interest in such securities; and he shall, with respect to such securities, have all of the powers which are vested in him by the provisions of Chapter 4 of Title 10 of Part 3 of the Code of Civil Procedure with respect to the classes of unclaimed property covered by said Chapter 4; provided, however, that all money derived from the sale or conversion into cash of such securities shall, on order of the State Controller, be deposited in the Special Deposit Fund to the credit of the same account as is herein provided with respect to unclaimed money in the possession of the superintendent. All such securities, and the proceeds thereof, shall be subject to the provisions of Article 2 of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code, and if unclaimed, shall revert to the General Fund as therein provided;

Other
personal
property

(c) All personal property other than the classes covered by paragraphs (a) and (b) hereof shall be sold by the superintendent at public auction, or upon a sealed bid basis, and the proceeds of the sale delivered by the superintendent to the State Treasurer in the same manner as is herein provided with respect to other unclaimed money of escaped, discharged or paroled persons. If he deems it expedient to do so, the superintendent may accumulate the property of several inmates and may sell the property in such lots as he may determine, provided that he makes a determination as to each inmate's share of the proceeds;

Destruction

(d) If any personal property covered by paragraph (c) of this section is not salable at public auction or upon a sealed bid basis, or if it has no intrinsic value, or if its value is not sufficient to justify its retention by the superintendent to be offered for sale at public auction or upon a sealed bid basis at a later date, the superintendent may order it destroyed.

SEC. 3. Section 166 2 of said code is amended to read:

Notice

166.2. Before any money or other personal property or documents are delivered to the State Treasurer, State Controller, or public administrator, or sold at auction or upon a sealed bid basis, or destroyed, under the provisions of Section 166 or 166.1, notice of said intended disposition shall be

posted at least 30 days prior to the disposition, in a public place at the institution where the disposition is to be made, and a copy of such notice shall be mailed to the last known address of the owner or deceased owner, at least 30 days prior to such disposition. The notice prescribed by this section need not specifically describe each item of property to be disposed of.

SEC. 3.5. Section 166.3 of said code is amended to read:

166.3. At the time of delivering any money or other personal property to the State Treasurer or State Controller under the provisions of Sections 166 or 166.1, the superintendent shall deliver to the State Controller a schedule setting forth a statement and description of all money and other personal property delivered, and the name and case number of the owner or deceased owner. Schedule

SEC. 4. Section 1015 of said code is amended to read:

1015. Whenever any person confined in any state institution subject to the jurisdiction of the Youth Authority dies, and any personal funds or property of such person remains in the hands of the Director of the Youth Authority, and no demand is made upon said director by the owner of the funds or property or his legally appointed representative, all money or other personal property of such decedent remaining in the custody or possession of the Director of the Youth Authority shall be held by him for a period of three years from the date of death of the decedent, for the benefit of the heirs, legatees, or successors in interest of such decedent. Disposition
of property
of inmate
subject to
jurisdiction
of Youth
Authority
Death

Upon the expiration of said three-year period, any money remaining unclaimed in the custody or possession of the director shall be delivered by him to the State Treasurer for deposit in the Unclaimed Property Fund under the provisions of Article 1 of Chapter 6 of Title 10 of Part 3 of the Code of Civil Procedure.

Upon the expiration of said three-year period, all personal property and documents of the decedent, other than cash, remaining unclaimed in the custody or possession of the director shall be disposed of as follows:

(a) All deeds, contracts or assignments shall be filed by the director with the public administrator of the county of commitment of the decedent;

(b) All other personal property shall be sold by the director at public auction, or upon a sealed bid basis, and the proceeds of the sale delivered by him to the State Treasurer in the same manner as is herein provided with respect to other unclaimed money of the decedent. If he deems it expedient to do so, the director may accumulate the property of several decedents and sell the property in such lots as he may determine, provided that he makes a determination as to each decedent's share of the proceeds;

(c) If any personal property of the decedent is not salable at public auction, or upon a sealed bid basis, or if it has no intrinsic value, or if its value is not sufficient to justify the

deposit of such property in the State Treasury, the director may order it destroyed;

(d) All other unclaimed personal property of the decedent not disposed of as provided in paragraphs (a), (b), or (c) hereof, shall be delivered by the director to the State Controller for deposit in the State Treasury under the provisions of Article 1 of Chapter 6 of Title 10 of Part 3 of the Code of Civil Procedure.

SEC. 5. Section 1016 of said code is amended to read:

Same
Escape,
discharge,
etc

1016. Whenever any person confined in any state institution subject to the jurisdiction of the Youth Authority escapes, or is discharged or paroled from such institution, and any personal funds or property of such person remains in the hands of the Director of the Youth Authority, and no demand is made upon said director by the owner of the funds or property or his legally appointed representative, all money or other personal property of such person remaining in the custody or possession of the Director of the Youth Authority shall be held by him for a period of three years from the date of such escape, discharge, or parole, for the benefit of such person or his successors in interest; provided, however, that unclaimed personal funds or property of paroled minors may be exempted from the provisions of this section during the period of their minority and for a period of one year thereafter, at the discretion of the director.

Upon the expiration of said three-year period, any money remaining unclaimed in the custody or possession of the director shall be delivered by him to the State Treasurer; and upon order of the State Controller, such money shall be deposited in the Special Deposit Fund to the credit of the account in such fund covering unclaimed trust money of the Youth Authority from which such person escaped or was discharged or paroled, for the benefit of such person or his successors in interest.

All money deposited in the State Treasury under the provisions of this section shall be subject to the provisions of Article 2 of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code.

Upon the expiration of said three-year period, all personal property and documents of such person, other than cash, remaining unclaimed in the custody or possession of the director shall be disposed of as follows:

Deeds, etc

(a) All deeds, contracts or assignments shall be filed by the director with the public administrator of the county of commitment of such person;

Securities

(b) All securities shall be delivered by the director to the State Controller for deposit in the State Treasury; and when so deposited, shall be held in the name of the account in the Special Deposit Fund covering unclaimed trust money of such institution, for the benefit of the owner or his successors in interest. For the purposes of this section, "securities" means stocks, bonds, notes, debentures, and any other written evi-

dence of ownership or indebtedness. When any such securities have been deposited in the State Treasury as herein provided, the State Controller shall have all of the powers, with respect to such securities, that are necessary in order to safeguard and conserve the interests of all parties, including the State, having any vested or expectant interest in such securities; and he shall, with respect to such securities, have all of the powers which are vested in him by the provisions of Chapter 4 of Title 10 of Part 3 of the Code of Civil Procedure with respect to the classes of unclaimed property covered by said Chapter 4; provided, however, that all money derived from the sale or conversion into cash of such securities shall, on order of the State Controller, be deposited in the Special Deposit Fund to the credit of the same account as is herein provided with respect to unclaimed money in the possession of the Director of the Youth Authority. All such securities and the proceeds thereof, shall be subject to the provisions of Article 2 of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code, and if unclaimed, shall revert to the General Fund as therein provided;

(c) All personal property other than the classes covered by paragraphs (a) and (b) hereof shall be sold by the director at public auction, or upon a sealed bid basis, and the proceeds of the sale delivered by the director to the State Treasurer in the same manner as is herein provided with respect to unclaimed money of escaped, discharged or paroled persons. If he deems it expedient to do so, the director may accumulate the property of several inmates and may sell the property in such lots as he may determine, provided that he makes a determination as to each inmate's share of the proceeds;

(d) If any personal property covered by paragraph (c) of this section is not salable at public auction or upon a sealed bid basis, or if it has no intrinsic value, or if its value is not sufficient to justify its retention by the director to be offered for sale at public auction or upon a sealed bid basis at a later date, the director may order it destroyed.

SEC. 6. Section 1017 of said code is amended to read:

1017. Before any money or other personal property or documents are delivered to the State Treasurer, State Controller, or public administrator, or sold at auction or upon a sealed bid basis, or destroyed, under the provisions of Section 1015 or 1016, notice of said intended disposition shall be posted at least 30 days prior to the disposition, in a public place at the institution where the disposition is to be made, and a copy of such notice shall be mailed to the last known address of the owner or deceased owner, at least 30 days prior to such disposition. The notice prescribed by this section need not specifically describe each item of property to be disposed of.

SEC. 6.5. Section 1018 of said code is amended to read:

1018. At the time of delivering any money or other personal property to the State Treasurer or State Controller under the provisions of Section 1015 or 1016, the director shall

deliver to the State Controller a schedule setting forth a statement and description of all money and other personal property delivered, and the name and case number of the owner or deceased owner.

SEC. 7. Section 5061 of the Penal Code is amended to read:

Disposition
of property
of inmate
subject to
jurisdiction
of Director
of Correc-
tions Death

5061. Whenever any person confined in any state institution subject to the jurisdiction of the Director of Corrections dies, and any personal funds or property of such person remains in the hands of the Director of Corrections, such funds may be applied in an amount not exceeding three hundred dollars (\$300) to the payment of his burial expenses and charges related thereto. If no demand is made upon said director by the owner of the funds or property or his legally appointed representative, the director shall hold and dispose of such funds or property as follows:

Will

If such decedent leaves a will, the director shall, within 30 days after the date of death of the decedent, deliver such will to the clerk of the superior court having jurisdiction of the estate; and if an executor is named in the will, the director shall furnish him written notice of the delivery of the will as herein provided.

All money or other personal property of the decedent remaining in the custody or possession of the director shall be held by him for a period of three years from the date of death of the decedent, for the benefit of the heirs, legatees or successors in interest of such decedent.

Upon the expiration of said three-year period, any money remaining unclaimed in the custody or possession of the director shall be delivered by him to the State Treasurer for deposit in the Unclaimed Property Fund under the provisions of Article 1 of Chapter 6 of Title 10 of Part 3 of the Code of Civil Procedure.

Upon the expiration of said three-year period, all personal property and documents of the decedent, other than cash, remaining unclaimed in the custody or possession of the director, shall be disposed of as follows:

(a) All deeds, contracts or assignments shall be filed by the director with the public administrator of the county of commitment of the decedent;

(b) All other personal property shall be sold by the director at public auction, or upon a sealed bid basis, and the proceeds of the sale delivered by him to the State Treasurer in the same manner as is herein provided with respect to other unclaimed money of the decedent. If he deems it expedient to do so, the director may accumulate the property of several decedents and sell the property in such lots as he may determine, provided that he makes a determination as to each decedent's share of the proceeds;

(c) If any personal property of the decedent is not salable at public auction, or upon a sealed bid basis, or if it has no intrinsic value, or if its value is not sufficient to justify the

deposit of such property in the State Treasury, the director may order it destroyed;

(d) All other unclaimed personal property of the decedent not disposed of as provided in paragraphs (a), (b), or (c) hereof, shall be delivered by the director to the State Controller for deposit in the State Treasury under the provisions of Article 1 of Chapter 6 of Title 10 of Part 3 of the Code of Civil Procedure.

SEC. 8. Section 5062 of the Penal Code is amended to read:

5062. Whenever any person confined in any state institution subject to the jurisdiction of the Director of Corrections escapes, or is discharged or paroled from such institution, and any personal funds or property of such person remains in the hands of the Director of Corrections, and no demand is made upon said director by the owner of the funds or property or his legally appointed representative, all money or other personal property of such person remaining in the custody or possession of the director shall be held by him for a period of three years from the date of such escape, discharge, or parole, for the benefit of such person or his successors in interest.

Same
Escapes
discharge,
etc

Upon the expiration of said three-year period, any money remaining unclaimed in the custody or possession of the director shall be delivered by him to the State Treasurer; and upon order of the State Controller, such money shall be deposited in the Special Deposit Fund to the credit of the account in such fund covering unclaimed trust money of the institution from which such person escaped or was discharged or paroled, for the benefit of such person or his successors in interest.

All money deposited in the State Treasury under the provisions of this section shall be subject to the provisions of Article 2 of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code.

Upon the expiration of said three-year period, all personal property and documents of such person, other than cash, remaining unclaimed in the custody or possession of the director, shall be disposed of as follows:

(a) All deeds, contracts or assignments shall be filed by the director with the public administrator of the county of commitment of such person;

Deeds, etc

(b) All securities shall be delivered by the director to the State Controller for deposit in the State Treasury; and when so deposited, shall be held in the name of the account in the Special Deposit Fund covering unclaimed trust money of such institution, for the benefit of the owner or his successors in interest. For the purposes of this section, "securities" means stocks, bonds, notes, debentures, and any other written evidence of ownership or indebtedness. When any such securities have been deposited in the State Treasury as herein provided, the State Controller shall have all of the powers, with respect to such securities, that are necessary in order to safeguard and conserve the interests of all parties, including the State, having any vested or expectant interest in such securities; and he

Securities

shall, with respect to such securities, have all of the powers which are vested in him by the provisions of Chapter 4 of Title 10 of Part 3 of the Code of Civil Procedure with respect to the classes of unclaimed property covered by said Chapter 4; provided, however, that all money derived from the sale or conversion into cash of such securities shall, on order of the State Controller, be deposited in the Special Deposit Fund to the credit of the same account as is herein provided with respect to unclaimed money in the possession of the Director of the Department of Corrections. All such securities, and the proceeds thereof, shall be subject to the provisions of Article 2 of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code, and if unclaimed, shall revert to the General Fund as therein provided;

Other
personal
property

(c) All personal property other than the classes covered by paragraphs (a) and (b) hereof shall be sold by the director at public auction, or upon a sealed bid basis, and the proceeds of the sale delivered by the director to the State Treasurer in the same manner as is herein provided with respect to other unclaimed money of escaped, discharged or paroled persons. If he deems it expedient to do so, the director may accumulate the property of several inmates and may sell the property in such lots as he may determine, provided that he makes a determination as to each inmate's share of the proceeds;

Destruction

(d) If any personal property covered by paragraph (c) of this section is not salable at public auction or upon a sealed bid basis, or if it has no intrinsic value, or if its value is not sufficient to justify its retention by the director to be offered for sale at public auction or upon a sealed bid basis at a later date, the director may order it destroyed.

SEC. 9. Section 5063 of said code is amended to read:

Notice

5063. Before any money or other personal property or documents are delivered to the State Treasurer, State Controller, or public administrator, or sold at auction or upon a sealed bid basis, or destroyed, under the provisions of Section 5061 or 5062, notice of said intended disposition shall be posted at least 30 days prior to the disposition, in a public place at the institution where the disposition is to be made, and a copy of such notice shall be mailed to the last known address of the owner or deceased owner, at least 30 days prior to such disposition. The notice prescribed by this section need not specifically describe each item of property to be disposed of.

SEC. 10. Section 5064 of said code is amended to read:

Schedule

5064. At the time of delivering any money or other personal property to the State Treasurer or State Controller under the provisions of Section 5061 or 5062, the director shall deliver to the State Controller a schedule setting forth a statement and description of all money and other personal property delivered, and the name and case number of the owner or deceased owner.

CHAPTER 193

An act to add Section 1200.1 to the Probate Code, relating to administration of estates.

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1200.1 is added to the Probate Code, to read:

1200.1. The notices provided to be given in Sections 327, 441 and 1200 of this code, and in all other cases in which notice is required in this code and no other type of notice is prescribed by law or by the court or judge, shall be in substantially the following form:

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE (CITY AND) COUNTY OF -----

Estate of

No.

A.B.

NOTICE OF HEARING

Deceased

(State nature of matter to be
heard and where notice is to
be published, if any)

Notice is hereby given that (name of petitioner and representative capacity, if any) has filed herein a (nature of petition, application, report or account), reference to which is made for further particulars, and that the time and place of hearing the same has been set for -----(date)-----, at -----m., in the courtroom (of Department No. -----, if any) of said court, at (the Courthouse, or state other location of the court), in the City of -----, California.

Dated -----.

-----, Clerk
By -----, Deputy Clerk

CHAPTER 194

An act to amend Section 948 of the Code of Civil Procedure, relating to undertakings on appeal.

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1 Section 948 of the Code of Civil Procedure is amended to read:

948. The adverse party may except to the sufficiency of the sureties to any of the undertakings mentioned in this chapter, at any time within 30 days after notice of the filing of such

undertaking; and unless they or other sureties, within 20 days after the appellant has been served with notice of such exception, justify before a judge of the court below, upon five days' notice to the respondent of the time and place of justification, execution of the judgment, order, or decree appealed from is no longer stayed. In all cases where an undertaking is required on appeal by the provisions of this title, a deposit in the court below of the amount of the undertaking provided for by any section of this title or where the amount of such undertaking is to be fixed by the court, or a judge thereof, then of the amount so fixed, shall be equivalent to filing the undertaking; provided, however, that in the case of an undertaking required by Section 942 of this code, the amount of such deposit shall be a sum fixed by the court at a sum equal to the amount named in the judgment or order, plus an amount determined by the court to be equal to the probable interest thereon pending the appeal and costs on appeal of the respondent, but in no event shall the total amount exceed one and one-half times the amount named in the judgment or order. Upon withdrawal or dismissal of the appeal, the court may order any money so deposited to be applied in accordance with the conditions required for the undertaking in the place of which it was deposited. In all cases the undertaking or deposit may be waived by the written consent of the respondent.

CHAPTER 195

An act to amend Section 28126 of the Government Code, relating to compensation for public service in counties of the twenty-sixth class.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 28126 of the Government Code is amended to read:

Butte
County
officers
Salaries

28126. In a county of the twenty-sixth class the officers shall receive as compensation for the services required of them by law or by virtue of their offices the salaries and fees fixed pursuant to the charter of the county, except that the following shall receive as compensation for such services the following sums:

(a) The auditor, six thousand six hundred dollars (\$6,600) a year.

(b) The district attorney, seven thousand five hundred dollars (\$7,500) a year.

(c) Each supervisor, two thousand four hundred dollars (\$2,400) a year for all services performed by him as supervisor, member of the board of equalization, or in any other capacity, and shall receive mileage at the rate of six cents (\$.06) for each mile actually traveled within the county in

the performance of his official duties, or in going to or from any meeting of said board when traveling by automobile, not to exceed twenty-five dollars (\$25) for any one month, and all actual and necessary traveling expenses when traveling on county business outside the county.

(d) Grand jurors in the superior court shall receive six dollars (\$6) for each day's attendance and eight cents (\$.08) for each mile actually traveled in attending court as such jurors. Such per diem and mileage allowance shall be paid to grand jurors for attendance at meetings of committees appointed by the foreman of the grand jury and to grand jurors making individual investigations when such investigations are authorized in writing by the foreman.

Trial jurors in the superior court shall receive three dollars (\$3) for the first day's attendance at court and six dollars (\$6) for each succeeding day's attendance, together with fifteen cents (\$.15) for each mile traveled in attending court as such jurors, one way only.

CHAPTER 196

An act to amend Sections 1040 and 1041 of the Military and Veterans Code, relating to the Veterans' Home of California.

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1040 of the Military and Veterans Code is amended to read:

1040. The personal property of a deceased veteran, not otherwise herein provided for, shall be held for the heirs, devisees, or legatees for the period of one year from the date of his death. The personal property of a veteran who is discharged or voluntarily leaves shall be held for the veteran himself or his heirs, devisees, or legatees for the period of one year from the date of discharge or leaving.

SEC. 2. Section 1041 of said code is amended to read:

1041. The officer in charge may make a monthly charge for the safekeeping of the unclaimed personal property of veterans. If the charge is not paid a lien upon the property to secure its payment shall accrue to the State. If the amount due is not paid within one year then the lien may be foreclosed and the officer in charge may proceed by public or private sale to sell the property or so much thereof as is necessary to satisfy the lien and costs of sale. The sale shall take place at a public place in the home, and notice of sale shall be posted in such place at least 10 days previous to the date of sale. The proceeds of sale shall be credited to the post fund.

CHAPTER 197

An act to amend Section 6528 of the Business and Professions Code, relating to barber college instructors.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6528 of the Business and Professions Code is amended to read:

6528. It is unlawful for any person to act as an instructor in a barber college unless such person holds an instructor's certificate in good standing issued by the board and unless such certificate and the person's certificate as a registered barber are displayed in a conspicuous place on the premises at all times. Any registered barber who applies to the board for an instructor's certificate and who fulfills all of the prerequisites of Section 6550.5 for admittance into the examination for an instructor's certificate may act as an instructor under the supervision of a registered instructor in a barber college prior to issuance of the certificate for a period of not more than 60 consecutive working days from the date of filing the original application, but no such applicant shall act as an instructor after the expiration of such period until a certificate is issued by the board.

CHAPTER 198

An act to amend Sections 9 and 3166 and to repeal Sections 9.1 and 3166.1 of the Civil Code, relating to the time for payment or presentment of negotiable instruments.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 9 of the Civil Code is amended to read as follows:

Business
days, bank
holidays, etc

9. All other days than those mentioned in Section 7 are to be deemed business days for all purposes; provided, that as to any act appointed by law or contract, or in any other way, to be performed by, at, or through any bank organized under the laws of or doing business in this State, Saturday is a holiday and not a business day; and provided, that any act appointed by law or contract, or in any other way, to be performed on any day which is an optional bank holiday as defined in Section 3166 of this code, by, at, or through any bank or branch or office thereof, whether acting in its own behalf or in any other capacity whatsoever, may be performed on such optional bank holiday if the bank or branch or office

thereof by, at, or through which such act is to be performed is open for the transaction of business on such optional bank holiday, or, at the option of the person obligated to perform the act, it may be performed on the next succeeding business day which is not a Saturday.

SEC. 2. Section 3166 of the Civil Code is amended to read as follows:

3166. Every negotiable instrument is payable at the time fixed therein without grace. When the day of maturity falls upon Sunday, Saturday, or a holiday, the instrument is payable on the next succeeding business day which is not a Saturday; provided, however, that where the day of maturity of the instrument falls on an optional bank holiday or the instrument would except for the foregoing provision be payable on an optional bank holiday and it is payable by or at a banking house or any branch or office thereof and the particular banking house or branch or office thereof by or at which the instrument is payable is open for the transaction of business on such optional bank holiday, the holder of the instrument may at his option present the same for payment at said banking house or branch or office thereof by or at which the same is payable on such optional bank holiday or on the next succeeding business day which is not a Saturday. An instrument payable on demand is not to be presented for payment on Sunday, Saturday, or a holiday but is to be presented for payment on the next succeeding business day which is not a Saturday, except that where such instrument is payable by or at a banking house or any branch or office thereof and the particular banking house or branch or office thereof by or at which such instrument is payable is open for the transaction of business on an optional bank holiday, the holder of such instrument may at his option present the same for payment at said banking house or branch or office thereof by or at which the same is payable on such optional bank holiday or on the next succeeding business day which is not a Saturday. For the purpose of this section an optional bank holiday is every holiday referred to in Sections 6700 and 6701 of the Government Code of this State, except the following: January 1st, May 30th, July 4th and December 25th, any Monday following any Sunday on which any such day falls, the first Monday in September, September 9th, known as "Admission Day," Good Friday from 12 noon until 3 p.m., the Thursday in November appointed as Thanksgiving Day, and every Sunday.

SEC. 3. Section 3166.1 and Section 91 of the Civil Code are hereby repealed.

CHAPTER 199

An act to amend Section 583 of the Vehicle Code, relating to moving vehicles stopped, parked, or left standing on a highway.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 583 of the Vehicle Code is amended to read:

583. Moving Vehicle from One Place to Another on a Highway. (a) Whenever any peace officer finds a vehicle standing upon a highway in violation of Section 582 hereof, such officer may move such vehicle or require the driver or other person in charge of the vehicle to move the same to the nearest available position off the paved or improved or main traveled portion of such highway or such vehicle may be removed to a place and under the procedure as provided in Section 585.

(b) Any state, county or city authority charged with the maintenance of any highway may move any vehicle which is disabled or abandoned or which constitutes an obstruction to traffic from the place where located on a highway to the nearest available position on the same highway as may be necessary to keep the highway open or safe for public travel.

(c) Any peace officer may move a vehicle which is parked or left standing on a highway in violation of Section 586 to the nearest available location on a highway in the vicinity where parking is permitted or in the event that a parking location is not available in the vicinity then such vehicle may be removed to a place and under the procedure as provided in Section 585.

(d) Whenever a peace officer finds a vehicle standing upon a street in violation of a traffic ordinance enacted by local authorities to prevent flooding of adjacent property, such officer may move such vehicle or require the driver or person in charge of the vehicle to move the same to the nearest available location in the vicinity where parking is permitted.

CHAPTER 200

An act to amend Section 427 of the Education Code, relating to the government of counties.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 427 of the Education Code is amended to read:

427. The annual salary of the county superintendent of schools of a county of the twenty-seventh class is ten thousand dollars (\$10,000), and he shall possess a valid elementary or secondary administrative credential issued by the State Board of Education.

Imperial
County
Superintendent
of
Schools
Salary

CHAPTER 201

An act to amend Section 5847 of, and to add Section 5835.3 to, the Streets and Highways Code, relating to county maintenance districts.

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5847 of the Streets and Highways Code is amended to read:

5847. No withdrawal of territory under the provisions of Section 5846 or 5853 shall become effective unless and until any outstanding contract of the maintenance district from which a portion is sought to be withdrawn has expired, or such contract, with the consent of the parties thereto, has been modified or canceled so as to relieve such maintenance district of further obligation to pay for future maintenance within the territory so withdrawn.

SEC. 2. Section 5835.3 is added to the Streets and Highways Code, to read:

5835.3. "Maintenance" as used in this chapter in relation to lighting systems, includes the replacement of any obsolete equipment with the new modern equipment necessary for the proper operation of the district. The replacement of any such obsolete equipment with any such new modern equipment, except for work done by a utility district or a private utility company under contract with the maintenance district, shall be subject to the provisions of Section 5834.

CHAPTER 202

An act to amend Section 19611 of the Education Code, relating to retirement status of child care center employees.

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 19611 of the Education Code is amended to read:

19611. No person employed in a child care center under the provisions of this chapter shall be deemed to be a person employed by a school district in a position requiring certifi-

education qualifications or employed in a status requisite for membership in the State Teachers' Retirement System or district retirement system, or an employee subject to the provisions of Article 5 of Chapter 13 of Division 7 of this code; provided, however, that child care center employees of a unified school district coterminous with the boundaries of a city and county shall not be prevented from becoming members of a retirement system established for the employees of the city and county and of the unified school district.

CHAPTER 203

An act to amend Section 14725 of the Education Code, relating to taxes levied for membership in a local retirement system.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14725 of the Education Code is amended to read:

14725. For the purpose of providing funds which may be necessary to make the payments required by any district retirement plan, district taxes shall be levied and collected annually by the respective districts at the same time and in the same manner as other district taxes are levied and collected. The tax shall be in addition to any other district tax now or hereafter authorized by law, and shall not be considered in fixing maximum rates of tax for school district purposes. For the purposes of this section any local retirement system shall be deemed to be a district retirement plan.

CHAPTER 204

An act to amend Section 6536 of the Business and Professions Code, relating to barbers and barber colleges.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6536 of the Business and Professions Code is amended to read:

6536. No college shall enroll or admit any student thereto unless the student prepares in duplicate a duly verified application. The application shall be in the form and contain the matters the board prescribes and shall be obtained by the student or the college from the board.

One copy of the application shall be retained by the college enrolling or admitting the student and the other copy shall be filed by the college with the board.

Any student who has filed an application for enrollment or attendance at a college as required by this section shall not be required to file another application to attend theory classes at another approved college which is in the immediate area of and under the same administration and ownership as the college at which he is enrolled; provided, adequate records are maintained at each separate college where the student is in training.

CHAPTER 205

An act to add Section 813.5 to the Fish and Game Code, relating to the sale of scallops.

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 813.5 is added to the Fish and Game Code, to read:

813.5. It shall be unlawful for any person to sell or purchase any rock scallops (*Hinnites multirugosus*).

CHAPTER 206

An act to amend Section 1192.4 of the Insurance Code, relating to investments by insurance companies.

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1192.4 of the Insurance Code is amended to read:

1192.4. No domestic insurer shall have more than 10 percent of its capital and surplus invested in stock of corporations organized under the laws of the Dominion of Canada or of any province of the Dominion of Canada, but this limitation shall not affect the authority conferred by Sections 1172, 1199 and 1240.

CHAPTER 207

An act to add a title to Article 1 of Chapter 1 of Part 4 of Division 13, immediately preceding Section 35000 of, to add Section 35007 to, to add Article 2 to Chapter 1 of Part 4 of Division 13 of, and to amend Sections 36726 and 36825 of, the Water Code, relating to California water districts.

In effect
September
7, 1955

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955]

The people of the State of California do enact as follows:

Title
added

SECTION 1. A title is added to Article 1 of Chapter 1 of Part 4 of Division 13 of the Water Code, immediately preceding Section 35000 thereof, to read:

Article 1. General Provisions

SEC. 2. Section 35007 is added to said code, to read:

Election
precincts

35007. For the convenience of the voters, the board may divide the district into election precincts and establish the boundaries of the precincts. In such case, the board shall appoint a board of election for each precinct and designate a polling place in each precinct.

SEC. 3. Article 2 is added to Chapter 1 of Part 4 of Division 13 of said code, to read:

Article 2. Establishment of Divisions

Establish-
ment of
divisions

35025. Each district may be divided into five divisions. The establishment of the divisions and the boundaries thereof shall be made by the board of supervisors, who shall make such division if requested by a resolution passed by a majority of the board of directors or upon a petition signed by a majority of eligible voters within the boundaries of the district. Said resolution or petition shall be filed with the board of supervisors at least 100 days before the next general election.

Hearing

35026. Within 30 days after the filing of the petition or the resolution requesting the establishment of divisions with the board of supervisors, the board of supervisors shall hold a hearing and shall hear any evidence produced to establish the validity of the petition or resolution and such further evidence as may be necessary as to divide the district into five divisions as nearly equal in area as may be practicable.

Order

35027. Within 10 days after said hearing, the board of supervisors, if they determine that the resolution or petition is valid, shall forthwith order the establishment of five divisions in the district as nearly equal in area as may be practicable and shall file a copy of said order with the board of directors of the district.

35028. After the entry of the order establishing divisions within a district, one director shall be elected from each division and shall be a resident therein. Selection of director

35029. The entry of the order dividing the district into divisions shall not affect the term of any director until his term expires. Effect of entry of order

35030. At the general election next following the entry of the order, the board shall designate the divisions from which directors shall be elected. The number designated shall equal the number of directors to be elected at that election. At the next succeeding regular election, the directors shall be elected from the remaining divisions. Election of directors

35031. Divisions once established may be modified by the same procedure as herein set forth for establishing divisions. Modification of districts

SEC. 4. Section 36726 of said code is amended to read:

36726. Within 10 days after the assessment is completed, the assessor shall do each of the following: Computation of assessments

(a) Compute and charge in the proper part of the assessment book in a place provided therefor in the record of each parcel of land assessed the assessment due on the parcel.

(b) If authorized by the board of directors by resolution, add to the assessment of each parcel of land any charges for water and other services, or either, which are unpaid. The amount so added shall be collected and shall constitute a lien as a part of the assessment levied on the parcel upon which the water for which the charges are unpaid was used and upon the lands subject to the unpaid charges for any other services.

(c) File each separate part of the assessment book with the tax collector of the district.

SEC. 5. Section 36825 of said code is amended to read:

36825. After the filing of all parts of the assessment book with the tax collector the assessment on each parcel of land separately assessed and any penalties for delinquency added thereto plus any unpaid charges for water and other services added to the assessment under the provisions of Section 36726 are a lien on the land and impart notice of the lien to all persons. Lien

CHAPTER 208

An act to amend Section 348 of the Code of Civil Procedure, relating to limitation of action for deposit of money or other property.

[Approved by Governor April 20, 1955. Filed with Secretary of State April 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 348 of the Code of Civil Procedure is amended to read:

348. To actions brought to recover money or other property deposited with any bank, banker, trust company, building and loan association, or savings and loan society or evidenced by a certificate issued by an industrial loan company or credit union there is no limitation.

This section shall not apply to banks, bankers, trust companies, building and loan associations, industrial loan companies, credit unions, and savings and loan societies which have become insolvent and are in process of liquidation and in such cases the statute of limitations shall be deemed to have commenced to run from the beginning of the process of liquidation; provided, however, nothing herein contained shall be construed so as to relieve any stockholder of any banking corporation or trust company from stockholders' liability as shall at any time, be provided by law.

CHAPTER 209

An act to repeal Section 1096 of the Fish and Game Code, relating to commercial fishing reports.

In effect
September
7, 1955

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1096 of the Fish and Game Code is repealed.

CHAPTER 210

An act to amend Section 624 of the Fish and Game Code, relating to shipment of trout from this State.

In effect
September
7, 1955

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 624 of the Fish and Game Code is amended to read:

624. It is unlawful at any time to offer for shipment, ship, or receive for shipment, or transport from this State any trout taken in the waters of this State, except that the holder of a nonresident sporting fishing license may personally transport from this State not more than one daily bag limit of trout taken under the authority of a nonresident sporting fishing license.

CHAPTER 211

An act to amend Section 669 of the Fish and Game Code, relating to the taking of salmon near salmon spawning stations.

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 669 of the Fish and Game Code is amended to read:

669. The commission may designate salmon spawning areas. It is unlawful to take salmon in any such spawning area, or within 250 feet of any salmon spawning station, or in District 6 at the mouth of the Smith and Klamath Rivers within three nautical miles north and south of a line drawn due west for three nautical miles from the center of the mouth of each of said streams, or during the months of August and September in District 7 at the mouth of the Eel River within two nautical miles north and south of a line drawn due west for two nautical miles from the center of the mouth of said stream.

CHAPTER 212

An act to add Section 13450.1 to the Government Code, relating to investment of state funds.

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13450.1 is added to the Government Code, to read:

13450.1. For the purposes of this section the Controller and the Director of Finance, acting ex officio as members of the State Board of Control, may each designate one or more deputies or employees to act for him for the purpose of consenting to the purchase, sale, transfer, or exchange of bonds in his absence. Consent to the purchase, sale, transfer, or exchange of bonds shall be deemed to be the consent of the State Board of Control when given by any two members of the State Board of Control, or any representative designated pursuant to this section and a member of the State Board of Control other than the member designating such representative, or a representative designated by the Controller pursuant to this section and a representative designated by the Director of Finance pursuant to this section.

CHAPTER 213

An act to amend Section 1372 of the Financial Code, relating to investment of funds of retirement systems.

In effect
September
7, 1955

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1372 of the Financial Code is amended to read:

1372. The provisions of this chapter govern the investment of funds by savings banks but wherever by any law of this State it is now provided that the moneys of any pension fund, retirement plan, trust fund, or the moneys of any special fund the investment of which is governed by law, or the funds of any political subdivision or public corporation may or shall be invested in securities which are a legal investment for savings banks, then such law shall be deemed to authorize or require, as the case may be, that such moneys be invested in securities in which savings banks were authorized to invest their funds by the provisions of the Bank Act as it read prior to January 1, 1949, including securities authorized for investment by paragraph (f) of subdivision 5 of Section 61 of the Bank Act (for which purpose said paragraph (f) shall be deemed to have been re-enacted on December 31, 1948), or by any other law of this State or in which savings banks are authorized to invest their funds by the provisions of Sections 1350 to 1366, inclusive, of this chapter; provided, that the provisions of said sections limiting the amount which a savings bank may invest in securities to a specified percent of its paid-up capital and surplus, or savings deposits, shall not apply to investments authorized by the terms of this section.

The funds of the State Employees' Retirement System, Legislators' Retirement System, and State Teachers' Retirement System may be invested in an amount not exceeding 10 percent of the assets of each of the respective systems as a whole and not by separate funds within each system in securities, other than corporation shares, whether or not such securities are herein expressly authorized and whether or not they qualify hereunder, in which in the informed opinion of the board or officer charged with the investment of funds of such systems respectively it is prudent to invest retirement funds.

CHAPTER 214

An act to add Section 16603 to the Business and Professions Code, relating to tie-in sales of horror comic books.

In effect
September
7, 1955

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 16603 is added to the Business and Professions Code, to read:

16603. Every person who, as a condition to a sale or consignment of any magazine, book, or other publication requires that the purchaser or consignee purchase or receive for sale any horror comic book, is guilty of a misdemeanor, punishable by imprisonment in the county jail not exceeding six months, or by fine not exceeding five hundred dollars (\$500), or by both.

This section is not intended to prohibit an agreement requiring a person to purchase or accept on consignment a minimum number of copies of a single edition or issue of a magazine or of a particular book or other particular publication.

As used in this section "person" includes a corporation, partnership, or other association.

As used in this section "horror comic book" means any book or booklet in which an account of the commission or attempted commission of the crime of arson, assault with caustic chemicals, assault with a deadly weapon, burglary, kidnaping, mayhem, murder, rape, robbery, theft, or voluntary manslaughter is set forth by means of a series of five or more drawings or photographs in sequence, which are accompanied by either narrative writing or words represented as spoken by a pictured character, whether such narrative words appears in balloons, captions or on or immediately adjacent to the photograph or drawing.

CHAPTER 215

An act to amend Section 1515 of the Elections Code, relating to the mailing of ballot pamphlets.

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1515 of the Elections Code is amended to read:

1515. The Secretary of State shall furnish each county clerk with not more than one and one-twentieth times as many copies of the ballot pamphlets as there are voters in his county. The ballot pamphlets shall be so furnished not less than 45 days before the election at which the measures contained in the ballot pamphlets are to be voted on. The county clerk shall commence to mail one copy of the ballot pamphlet to each voter not more than 40 nor less than 15 days before the day fixed by law for the election, and no other official publication of such measures shall be made. The mailing of the ballot pamphlets shall be completed at least 10 whole days before the election. Three copies, to be supplied by the Secretary of State, shall be kept at every polling place, while an election is in progress, so that they may be freely consulted by the voters.

CHAPTER 216

An act to amend Section 2670.1 of the Elections Code, relating to candidates' filing forms.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2670.1 of the Elections Code is amended to read:

2670.1. All forms required for nomination and election to all congressional, state and county offices shall be furnished only by the county clerk. At the time of issuance of such forms the county clerk shall type in the forms the name of the candidate and the office for which he is a candidate, and shall imprint a stamp which reads "Official Filing Form" and affix his signature. Such forms shall be distributed without charge to all such candidates applying therefor; provided, however, that such forms shall not be distributed except upon the prepayment of the filing fees provided for in Sections 2671, 2671.5 and 2672 of this code. Such filing fees shall not be refunded in the event the candidate fails to qualify as a candidate.

CHAPTER 217

An act to amend Sections 1001 and 1003 of the Elections Code, relating to election proclamations.

In effect
September
7, 1955

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1001 of the Elections Code is amended to read:

1001. At least 30 days before the general election, and at least 70 days before a special state-wide election or a special election to fill a vacancy in the Office of Representative in Congress, State Senator or Member of Assembly, the Governor shall issue an election proclamation, under his hand and the Great Seal of the State, and transmit copies to the boards of supervisors of the counties in which the elections are to be held.

SEC. 2. Section 1003 of said code is amended to read:

1003. Upon receipt of the proclamation, the board of supervisors shall cause a copy to be published in some newspaper printed in the county, if any, at least 10 days before the election. In case of special elections to fill a vacancy in the Office of Representative in Congress, State Senator or Member of Assembly, upon receipt of the proclamation, the board of supervisors shall cause a copy to be published, as hereinbefore provided, except that publication need not be made for a longer period than five days before the election.

CHAPTER 218

An act to add Section 10054.5 to the Elections Code, relating to the consolidation of elections.

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 10054.5 is added to the Elections Code, to read:

10054.5. In the case of the consolidation of any election, called by the governing body of a city, district or other political subdivision with an election held in another city, district or other political subdivision, the governing body of one city, district or political subdivision may authorize the governing body of the other city, district or political subdivision to canvass the returns of the election. If this authority is given:

(a) The elections shall be held in all respects as if there were only one election.

(b) Only one form of ballot shall be used.

(c) The returns of the election need not be canvassed by the governing body of the authorizing city, district, or other political subdivision.

If such authority is given, the canvass may be made by any body or official authorized by law to canvass the returns of the election of such other city, district or political subdivision.

CHAPTER 219

An act to amend Section 620 of the Financial Code, relating to par value of stock issued by any bank or trust company.

[Approved by Governor April 20, 1955. Filed with
Secretary of State April 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 620 of the Financial Code is hereby amended to read as follows:

620. The par value of any shares hereafter issued by any bank or trust company shall be one hundred dollars (\$100) each or such other amount as may have been approved by the superintendent. If the paid-up value of any shares heretofore issued is less than the par value thereof, that fact shall be endorsed upon the face of the certificates representing the shares, unless they were issued prior to January 1, 1915. Certificates issued after September 7, 1955, representing shares of any bank or trust company need not contain a statement as to the par value of the shares represented thereby.

CHAPTER 220

An act to amend Section 976 of the Fish and Game Code, relating to the taking of fish.

In effect
September
7, 1955

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 976 of the Fish and Game Code is amended to read:

976. Traps not to exceed 12 inches in breadth, 12 inches in height, and 36 inches in greatest length with entrance at small end of funnels or fykes not to exceed three inches in circumference may be used in tidewaters of Districts 3½, 4, 4½, 4¾, and 21 and in Salton Sea, Imperial and Riverside Counties, to take mudsuckers and California killifish (*Fundulus parvipinnis*) only.

CHAPTER 221

An act to amend Section 1260 of the Fish and Game Code, relating to taking of deer with bow and arrow, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor April 20, 1955 Filed with
Secretary of State April 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1260 of the Fish and Game Code is amended to read:

1260. In every district or area in which deer may lawfully be taken an archery season is hereby established for the taking of deer with bow and arrow. Such season for each district or area shall be as the commission may prescribe with a minimum interposing interval of three days immediately preceding the regular open season on deer in that district or area. No person taking or attempting to take deer during such season shall carry, or have under his immediate control, any firearm of any kind.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order for this act to be effective during the 1955 archery season to protect other hunters and to insure enforcement of the present law this act must take effect immediately.

CHAPTER 222

An act to amend Sections 2351, 2353, 2703, and 2705 of the Elections Code, relating to publications.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2351 of the Elections Code is amended to read:

2351. Immediately after the county clerk receives the certified list of candidates from the Secretary of State, he shall publish it in a presidential primary notice, under the proper party designation. The notice shall also contain:

- (a) The date of the election.
- (b) The hours during which the polls will be open.

SEC. 2. Section 2353 of said code is amended to read:

2353. The notice of the list of candidates published by the county clerk shall be in substantially the following form:

NOTICE BY COUNTY CLERK OF TIME AND PLACE OF PRESIDENTIAL PRIMARY ELECTION, POLITICAL PARTIES ENTITLED TO PARTICIPATE THEREIN, AND NAMES AND ADDRESSES OF CANDIDATES FOR DELEGATE

Notice is hereby given that a presidential primary election is to be held in the County of _____ on the _____ day of _____, 19____, and that hereinafter under the designation of each of the political parties entitled to participate therein there is stated the name and address of each person for whom nomination papers have been filed in the Office of the Secretary of State and who is entitled to be voted for, at the election, as delegate to the next national convention of that party under which his name appears; and that under the name of each party, and under the name of the person for whom a preference as nominee of that party for President has been expressed, there is stated the name of each of those candidates for delegate who has filed a statement of preference for that person and has been endorsed as required by law, and who may be voted for as one of a group:

LIST OF CANDIDATES

----- Party		
Candidates preferring	Candidates preferring	Candidates preferring
Name Address Top of Group	Name Address Top of Group	Name Address Top of Group
1-----	1-----	1-----
2-----	2-----	2-----
3-----	3-----	3-----
etc.-----	etc.-----	etc.-----

----- Party
(etc., as above with each political party)

Notice is also hereby given that at the presidential primary the polls will be open from the hour of 7 o'clock a.m. to the hour of 7 o'clock p.m. on the day thereof.

Dated this ----- day of -----, 19-----.

-----, County Clerk

SEC. 3. Section 2703 of said code is amended to read:

Publication
by county
clerk of
list of
candidates

2703. Each county clerk shall, upon receipt of the certified list of candidates, publish under the proper party designation the title of each office (except a nonpartisan office) which appears on the list. The publication shall include the names and addresses of all persons for whom nomination papers have been filed with the Secretary of State for each of the offices, and also the names of all candidates for the State Senate and Assembly when they are to be voted for wholly within only his county and the names of candidates for the county central committee, filed in the office of the county clerk. He shall also publish the title of each nonpartisan office, together with the names and addresses of all persons for whom nomination papers have been filed for each nonpartisan office, either in the Office of the Secretary of State or in the office of the county clerk, and shall state that candidates for nonpartisan offices may be voted for at the primary election, by any voter of the county, whether registered as intending to affiliate with any political party or not. He shall also publish the date of the primary election, and the hours during which the polls will be open.

SEC. 4. Section 2705 of said code is amended to read:

2705. The list of candidates and notice of election published by the county clerk shall be in substantially the following form:

Form

NOTICE BY COUNTY CLERK OF TIME AND PLACE OF PRIMARY
ELECTION, POLITICAL PARTIES ENTITLED TO PARTICIPATE
THEREIN, OFFICES FOR WHICH CANDIDATES ARE TO BE NOMI-
NATED OR ELECTED, AND NAMES AND ADDRESSES OF CANDI-
DATES.

Notice is hereby given that a primary election is to be held
in the County of _____ on the _____ day of _____,
19____, and that hereinafter under the designation of each of
the political parties entitled to participate therein there is
stated the title of each office to be voted on, and the name and
address of each person for whom a nomination paper has been
filed for each office and who is entitled to be voted for in this
county, the name of each person being stated under the name
of the party or principle he represents.

_____PARTY		
STATE (AND DISTRICT) OFFICES		
(Title of office)	(Name of candidate)	(Post-office address of candidate)
_____	_____	_____
_____	_____	_____
_____	_____	_____

_____DISTRICT

CONGRESSIONAL OFFICES

_____	_____	_____
_____	_____	_____

_____DISTRICT

LEGISLATIVE OFFICES

_____	_____	_____
_____	_____	_____

_____DISTRICT

MEMBERS OF COUNTY CENTRAL COMMITTEE

_____Member of County
Central Committee
_____District.
_____to be elected.

_____Member of County
Central Committee
_____District.
_____to be elected.

_____PARTY
STATE (AND DISTRICT) OFFICES

Notice is also hereby given that following are the nonpartisan offices for which candidates are to be nominated at the primary election, together with the names and addresses of all persons for whom nomination papers have been filed for each office, and that candidates for these offices may be voted for, at the primary election, by any voter of this county, whether registered as intending to affiliate with any political party or not.

NONPARTISAN OFFICES
JUDICIAL OFFICES

(Title of office)	(Name of candidate)	(Post-office address of candidate)
-----	-----	-----
-----	-----	-----
-----	-----	-----

----- DISTRICT

-----	-----	-----
-----	-----	-----

SCHOOL OFFICES

-----	-----	-----
-----	-----	-----
-----	-----	-----

COUNTY OFFICES

-----	-----	-----
-----	-----	-----
-----	-----	-----

----- SUPERVISOR DISTRICT

-----	-----	-----
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Notice is also hereby given that at the primary election the polls will be open from the hour of 7 o'clock a.m. to the hour of 7 o'clock p.m. on the day thereof.

Dated this _____ day of _____ 19____.

----- County Clerk

CHAPTER 223

An act to add Section 2743.5 to, and to amend Section 3000 of, the Elections Code, relating to the direct primary.

In effect
September
7, 1955

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2743.5 is added to the Elections Code, to read:

2743.5. Where a candidate has been elected to a nonpartisan office pursuant to Section 2 $\frac{3}{4}$ of Article II of the State Constitution, that office shall not appear on the ballot at the ensuing general election.

Sec. 2. Section 3000 of said code is amended to read:

3000. A candidate for any public office, including that of presidential elector, for which no nonpartisan candidate has been nominated or elected at any primary election, may be nominated subsequent to or in lieu of a primary election pursuant to this chapter.

CHAPTER 224

An act to add Section 682.1 to the Elections Code, relating to changing polling places.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 682.1 is added to the Elections Code, to read:

682.1. If, for any valid reason, the polling place designated for any precinct cannot be used and said fact is discovered in sufficient time before the election so that mailed cards will be received before the election, the election board conducting the election or the clerk or secretary of that board may designate another polling place and in that event said clerk or secretary shall mail, postage prepaid, to each registered voter in said precinct a card containing notice of such change; provided, however, that when polling place cards are required to be mailed but have not yet been mailed it shall be sufficient if said card states the new polling place. The method specified in this section shall be an alternative method to that set forth in Section 682 and, if cards are mailed as herein provided Section 682 shall not apply.

CHAPTER 225

An act to amend Section 5501 of the Elections Code, relating to digests of election laws.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5501 of the Elections Code is amended to read:

5501. The Secretary of State shall send a copy of the digest of election laws to each county clerk in each county on or before the first day of January of each even-numbered year.

CHAPTER 226

An act to amend Section 9756 of the Elections Code, relating to nomination of candidates for elective offices.

In effect
September
7, 1955

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 9756 of the Elections Code is amended to read:

9756. Candidates may be nominated for any of the elective offices of the city in the manner following:

Not earlier than the seventy-fifth day nor later than 12 o'clock noon on the fifty-fourth day before a municipal election, the voters may nominate candidates for election by signing a nomination paper, except that not later than 12 o'clock noon on the fortieth day before an election, the voters may nominate, by signing a nomination paper, candidates for election to fill a vacancy in office caused by a recall. Each candidate shall be proposed by not less than five nor more than 10 voters, but only one candidate may be named in any one nomination paper. No voter may sign more than one nomination paper for the same office and in the event he does so his signature shall count only on the first nomination paper filed which contains his signature. Nomination papers subsequently filed and containing his signature shall be considered as though his signature does not appear thereon. Each seat on the governing body is a separate office. Any person registered to vote at the election may circulate a nomination paper. Where there are full terms and short terms to be filled, the term shall be specified.

CHAPTER 227

An act to amend Section 11120 of the Elections Code, relating to filling vacancy when recall prevails.

In effect
September
7, 1955

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11120 of the Elections Code is amended to read:

11120. If the recall prevails and a majority of those voting on the question of filling the vacancy favor a special election for that purpose, the legislative body shall at its next regular meeting call an election to be held to fill the vacancy not less than 60 nor more than 75 days after the date of the order. If a regular municipal election is to occur not more than 60 nor less than 35 days from the date of canvassing the vote the legislative body may provide for filling the vacancy at

such regular municipal election instead of at a special election. If a special election is not favored by a majority of the voters, the legislative body shall at once fill the vacancy by appointment. In either case the person elected or appointed shall hold office for the unexpired term of the former incumbent.

CHAPTER 228

An act to amend Section 1157.1 of the Government Code, relating to public agencies.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1157.1 of the Government Code is amended to read:

1157.1. Employees of a public agency, on approval of the governing body of such public agency, may authorize deductions to be made from their salaries or wages in accordance with the provisions made by the governing body of the public agency for the payment of dues in any bona fide association whose members are comprised exclusively either of the employees of such public agency or of such public agency and one or more other public agencies the pay rolls of which are prepared by the same finance officer.

CHAPTER 229

An act to amend Sections 28, 46.5, 291, 330.5, 373.5, 571.5, 668, 1402, 1404, 2605, 3709, 3822, 3922, 3935, 3944, 5563, 5717, 5726, 5805, 5931.5, 9002, 9801, and 11053 of, and to add Sections 370.1, 658.6 and 5755 to, and to repeal Sections 669, 670, 671, 672, 672.5, and 673 of, the Elections Code, relating to elections.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28 of the Elections Code is amended to read:

28. "Local election" is a municipal, county, or district election. "Local election".

SEC. 2 Section 46.5 of said code is amended to read:

46.5. Whenever, by the Constitution or laws of this State, the county clerk is required to determine what number of voters have signed any petition or paper, the affidavit of the person circulating such petition or paper shall contain his residential voting address at the time of the execution of said affidavit. Affidavit as to residence

SEC. 3. Section 291 of said code is amended to read:

Cancellation 291. Cancellation is made by writing or stamping on the affidavit of registration the word "canceled," the reason therefor, and the date of cancellation

Change of precincts Whenever a voter transfers his registration from one precinct to another precinct in the same county, or reregisters in another precinct in the same county as shown by the new affidavit of registration, the county clerk shall immediately cancel both the original and the duplicate affidavit of registration from the precinct in which he was first registered, and remove the original from the precinct book and the duplicate from the files. Whenever a voter removes from one county to another county and registers in the latter county, the county clerk of the county in which he was first registered, upon being informed of his removal, either by the voter personally or by receipt of an affidavit of cancellation, shall likewise cancel his registration and remove the original and duplicate affidavit of registration in that county.

Removal from county

Preservation of canceled affidavits

All canceled affidavits of registration shall be preserved by the county clerk as required in Section 330.5 of this code.

Removal of names from indexes

The county clerk in distributing to each precinct the three indexes of registration, as required by this chapter, shall cross out of those indexes the names of all voters whose affidavits of registration from the precinct have been canceled.

SEC. 4. Section 330.5 of said code is amended to read:

Preservation of affidavits

330.5. The county clerk shall preserve all canceled original affidavits of registration for a period of 10 years. Thereafter, they may be destroyed by such officer. Duplicates to the canceled original affidavits of registration may be destroyed at the discretion of the county clerk.

Filming

In lieu of preserving the canceled original affidavit of registration, the clerk may, by filming or other suitable method, record the canceled affidavit and destroy the affidavit following the second general election after the date of cancellation.

SEC. 5. Section 370.1 is added to said code, to read:

Precinct indexes

370.1. In addition to printing a complete index within and for each two-year period, as provided in Section 370 of this code, the county clerk or registrar of voters may print and maintain one complete and continuing index, by precinct, to the affidavits of registration and keep the index current by supplements and deletions as provided in Sections 370 and 372 of this code, and by reprinting portions of the index by precinct, as the need appears, the reprinted portions to contain the same information concerning each voter and to be in the same style and type of print as provided in Section 370.

SEC. 6. Section 373.5 of said code is amended to read:

Indexes for central committees

373.5. Upon written demand of the chairman or vice chairman of a party state central committee or of the chairman of a party county central committee, the county clerk shall furnish to each of such committees without charge therefor no more than two copies of the printed indexes of the registration for the primary and general elections.

SEC. 7. Section 571.5 of said code is amended to read:

571.5. When more than 400 voters are registered in a precinct the voters of said precinct may be divided into two or more groups and one precinct board appointed to serve each group. The board or officer charged with the duty of conducting the election shall divide the voters into two or more groups as nearly equal in number as possible. When the voters of a precinct are so divided there may be one or more polling places, but there shall be a ballot box for and a set of returns from each group. Division of voters into groups

SEC. 8. Section 658.6 is added to said code, to read:

658.6. No person selected to count ballots on a substitutive canvassing board need reside in any particular precinct or area. Ballot counters

SEC. 9. Section 668 of said code is amended to read:

668. The county clerk, acting for the election board, shall also publish the list of the names of the election officers appointed and the polling places designated for each election precinct in any daily or weekly newspaper of general circulation designated by the election board and published in the county where the election is to be held, for two issues, the last publication to be at least one week before the day of election. Publication of election officers' names and polling places

SEC. 10. Sections 669, 670, 671, 672, 672.5 and 673 of said code are repealed. Repeal

SEC. 11. Section 1402 of said code is amended to read:

1402. The proponents of any proposed initiative measure shall, prior to its circulation, place upon each section of the petition in relation thereto above the text of the measure, and across the top of each page thereof whereon signatures are to appear, in roman blackface type not smaller than 12-point the summary prepared by the Attorney General. Summary of initiative petition

Each section of the petition shall have a half-inch column to the left of the place for signatures for use of the county clerks.

SEC. 12. Section 1404 of said code is amended to read:

1404. Across the top of each page after the first page of every referendum petition or section thereof which is prepared and circulated there shall be printed in 18-point gothic type a short title, in not to exceed 20 words, showing the nature of the petition and the subject to which it relates. Short title of referendum petition

Each section of the petition shall have a half-inch column to the left of the place for signatures for use of the county clerks.

SEC. 13. Section 2605 of said code is amended to read:

2605. The number of sponsors required for the respective offices are as follows: Number of sponsors

(a) State office, or United States Senate, not less than 65 nor more than 100.

(b) House of Representatives in Congress, Board of Equalization, or any office voted for in more than one county, and not state-wide, except the State Senate or the Assembly, not less than 40 nor more than 60.

(c) State Senate or Assembly, or candidacy in a single county or any political subdivision thereof, not less than 20 nor more than 30.

(d) When any political party has less than 50 registered voters in the State or in the county or district in which the election is to be held, one-tenth the number of registered voters of the party.

(e) When there are less than 150 registered voters in the county or district in which the election is to be held, not less than 10 nor more than 20.

SEC. 14. Section 3709 of said code is amended to read:

Sample
ballots for
direct pri-
mary and
presidential
primary
election

3709. At least 25 days before the direct primary or before the presidential primary, each county clerk shall prepare separate sample ballots for each political party, and a separate sample nonpartisan ballot, placing thereon in each case in the order provided in Article 3, Chapter 2, Division 6 of this code, and under the appropriate title of each office, the names of all candidates for whom nomination papers have been duly filed with him, or have been certified to him by the Secretary of State, to be voted for in his county at the primary election. The sample ballots shall be printed on paper of a different texture from the paper to be used on the official ballot. One sample ballot of the party to which the voter belongs as evidenced by his registration shall be mailed to each voter entitled to vote at the direct primary or the presidential primary, as the case may be, not more than 40 nor less than five days before the election. A nonpartisan sample ballot shall be so mailed to each voter who is not registered as intending to affiliate with any of the parties participating in the primary election.

SEC. 15. Section 3822 of said code is amended to read:

Perforated
line
Generally

3822. On each ballot a perforated line shall extend across the top of the ballot not less than one inch from the top thereof. The same number as appears on the stub shall be printed above said perforated line within two inches of the perforated line on the left-hand side of the ballot, and above this number shall be printed in parentheses, in small type, as follows: (This number shall be torn off by inspector and handed to the voter). One-half inch to the right of this ballot number there shall be a short perforated line extended from the perforated line along the top of the ballot to the top edge of the ballot.

SEC. 16. Section 3944 of said code is amended to read:

Same
Presidential
primary

3944. On each ballot a perforated line shall extend across the top of the ballot one inch from the top thereof. The same number as appears on the stub shall be printed above such perforated line within two inches of the perforated line on the left side of the ballot, and above this number shall be printed in parentheses in small type as follows: "(This number shall be torn off by inspector and handed to the voter)"; and one-half inch to the right of this ballot number there shall be a short perforated line extending from the perforated line along the top of the ballot to the top edge of the ballot. Imme-

Number

diately above this perforated line shall be printed in blackface lower-case type, at least 12-point in size, and enclosed in parentheses, the following: "Fold ballot to this perforated line, leaving top margin exposed." Above this printed direction, and midway between it and the top edge of the ballot, shall be printed in blackface capital type, at least 12-point in size, if possible, and with the four middle words underlined or otherwise made prominent, the following: "Mark crosses (+) on ballot only with rubber stamp; never with pen or pencil." Instructions.
Folding
ballot

Below this direction and midway between it and the next line, shall be printed in blackface capital type at least 12-point in size, and enclosed in parentheses, and, with the first two and the last five words underlined or otherwise made prominent, the following:

(ABSENTEE BALLOTS MAY BE MARKED WITH PEN AND INK OR PENCIL.)

SEC. 17. Section 3922 of said code is amended to read:

3922. At least three-eighths of an inch below the district designation shall be printed in 10-point gothic type, double leaded, the following instructions to voters: "To vote for a person whose name appears on the ballot, stamp a cross (+) in the square at the right of the name of the person for whom you desire to vote. To vote for a person whose name is not printed on the ballot, write his name in the blank space provided for that purpose. All distinguishing marks or erasures are forbidden and make the ballot void. If you wrongly stamp, tear or deface this ballot, return it to the inspector of election and obtain another. On absent voter ballots mark a cross (+) with pen or pencil." The instructions to voters shall be separated from the lists of candidates and the designation of the several officers to be nominated for by one light and one heavy line of rule. Instructions
to voters

SEC. 18. Section 3935 of said code is amended to read:

3935. If the office is that of State Senator or Assemblyman, or any office except the Office of Representative in Congress or member of a county central committee, to be voted on wholly within any county but not throughout the county, the names of all candidates for the office shall be placed upon the ballot in alphabetical order. State Sen-
ator or
Assemblyman

SEC. 19. Section 5563 of said code is amended to read:

5563. Only voters engaged in receiving, preparing, or depositing their ballots and persons authorized by the precinct board to keep order and enforce the law may be permitted to be within the voting booth area before the closing of the polls. Persons
within
voting
booth area

SEC. 20. Section 5717 of said code is amended to read:

5717. Having folded his ballot, the voter shall deliver it folded to the inspector, who shall announce in an audible tone of voice the name of the voter. The ballot clerk having in charge the copy of the index to the register or affidavits of registration shall, in like manner, repeat the name and shall write in the ruled space opposite the name in figures, the line number designating the position of the name on the roster for Depositing
ballot in
ballot box

each voter who votes. The inspector shall then separate the slip containing the number from the ballot, hand the slip to the voter, and deposit the ballot in the ballot box in the presence of the voter.

SEC. 21. Section 5726 of said code is amended to read:

Cancellation
of spoiled
ballots

5726. The precinct board shall immediately cancel all the spoiled ballots returned, without unfolding the ballot, writing the word "spoiled" on the back in ink or indelible pencil, and return them with the unused ballots.

SEC. 22. Section 5755 is added to said code, to read:

Ballot
form

5755. Notwithstanding any other provision of this code, the form of ballot used under this chapter shall be the same as the form of ballot where a rubber stamp is used in marking as nearly as practicable, except as to the instructions to the voter, and the space provided for marking the ballot, as approved by the State Commission on Voting Machines.

SEC. 23. Section 5805 of said code is amended to read:

Absence
of election
officers

5805. No adjournment or intermission whatever shall take place until the polls are closed and until all the votes cast at such polls are counted and the result publicly announced, but this shall not prevent the temporary absence of not more than two members at a time while taking meals or for any other necessary purpose.

SEC. 24. Section 5931 5 of said code is amended to read:

War voter
Registration
after
discharge

5931.5. If any war voter is released from service after the closing date of registration for an election and has returned to the county of his residence and is not a registered voter, he may apply in person to the county clerk for permission to register. The clerk shall allow the elector to be registered, and allow him to vote in the election; provided, he furnishes documentary proof he was released from service after the closing date of registration for the election. On or before the day of election the county clerk shall deliver to the precinct board the affidavits of registration, or certificates of registration of war voters registered under the provisions of this section.

SEC. 25. Section 9002 of said code is amended and renumbered to read:

Voter
erroneously
placed in
wrong
precinct

571.1. If a voter is erroneously placed in a precinct other than the one in which he resides, he may apply to the county clerk for a certificate showing the record of registration. The county clerk shall issue to him this certificate, on or before the day of the election. On presentation of the certificate to the precinct board of the precinct in which the voter resides, the board shall incorporate the certificate in the book of affidavits of registration and permit the voter to vote.

SEC. 26. Section 9801 of said code is amended to read:

Instructions
to voters

9801. On the top of the face of the ballot the following directions shall be printed:

INSTRUCTIONS TO VOTERS

To vote for a candidate of your selection, stamp a cross (+) in the voting square next to the right of the name of the

candidate. Where two or more candidates for the same office are to be elected, stamp a cross (+) after the names of all the candidates for that office for whom you desire to vote, not to exceed, however, the number of candidates who are to be elected. To vote for a person not on the ballot, write the name of such person under the title of the office in the blank space left for that purpose.

To vote on any measure, stamp a cross (+) in the voting square after the word "Yes" or after the word "No." All marks, except the cross (+) are forbidden. All distinguishing marks or erasures are forbidden and make the ballot void.

If you wrongly stamp, tear or deface this ballot, return it to the inspector of election and obtain another.

On absent voter ballots mark a cross (+) with pen or pencil.

SEC. 27 Section 11053 of said code is amended to read:

11053. The signatures to the petition need not all be appended to one paper. Each signer shall add to his signature his place of residence, giving street and number. If no street or number exists, then a designation of the place of residence shall be given which will enable the location to be readily ascertained. Each separate paper shall have attached to it an affidavit made by a voter of the county, or particular district, as the case may be. The affidavit shall contain the residence address of the affiant, and shall state that the affiant circulated that particular paper and saw written the signatures appended thereto; and that according to the best information and belief of the affiant:

(a) Each is the genuine signature of the person whose name it purports to be.

(b) The signer is a voter of the county or particular district.

Recall
petition
Signatures

CHAPTER 230

An act to add Article 16 to Chapter 17 of Division 6 of the Agricultural Code, relating to the construction and interpretation of Chapter 17 of Division 6 of the Agricultural Code with respect to stabilization and marketing of fluid milk and fluid cream.

[Approved by Governor April 22, 1955. Filed with Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 16 is added to Chapter 17 of Division 6 of the Agricultural Code, to read:

Article 16. Construction and Interpretation

4420. (a) The Legislature hereby declares that Chapter 17 of Division 6 of this code is intended to formulate a comprehensive scheme for the regulation of marketing and distribution of fluid milk and fluid cream. If, however, any provision of, or addition or amendment to, said Chapter 17 of Division 6

Declaration

of this code, either as originally enacted in 1935 at the Fifty-first Regular Session of the California Legislature, or as amended or added to or recodified or re-enacted at any subsequent session of the California Legislature, should be held to be unconstitutional, the unconstitutionality of such provision shall not affect any other provision of said chapter.

Severability (b) If any article, section, subsection, sentence, clause or phrase of any provision of Chapter 17 of Division 6 of this code is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining provisions of said chapter. The Legislature hereby declares that it would have enacted each article, section, subsection, sentence, clause or phrase of said chapter irrespective of the fact that one or more other articles, sections, subsections, sentences, clauses or phrases be declared unconstitutional.

Purpose SEC. 2. It is the purpose and intent of this act to restore to that chapter of the Agricultural Code relating to the stabilization and marketing of fluid milk and fluid cream those provisions of said chapter, formerly appearing as Section 738 thereof, which were, through inadvertence, omitted in the recodification and re-enactment of the provisions of the Agricultural Code relating to the stabilization and marketing of fluid milk and fluid cream in Chapter 324 of the Statutes of the 1953 Regular Session of the California Legislature.

CHAPTER 231

An act to add Section 19 to the Agricultural Code, relating to the severability of provisions of the Agricultural Code.

In effect
September
7, 1955

[Approved by Governor April 22, 1955 Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19 is added to the Agricultural Code, to read:

19. If any provision of this code or its application to any person or circumstance is held invalid, the remainder of the code or the application of the provisions to other persons or circumstances is not affected.

CHAPTER 232

An act to add Section 5102 to the Streets and Highways Code, relating to special assessment proceedings under the Improvement Act of 1911.

In effect
September
7, 1955

[Approved by Governor April 22, 1955 Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5102 is added to the Streets and Highways Code, to read:

5102. In any proceeding for the making of any improvement authorized under Section 5101 of this code, the legislative body may order the acquisition of lands, rights of way and easements necessary in connection with such improvement and assess the cost of such acquisition, including incidental expenses thereof, as a part of the cost of such improvement. Any such acquisition shall be described in the resolution of intention in general terms and refer to plans, profiles, detailed drawings and specifications or such of them as may be suitable and proper for the full detailed description of the lands, rights of way and easements proposed to be acquired. The city initiating such proceedings is authorized to advance the cost of any such acquisition from its general funds and thereafter reimburse such general funds from said assessments as a part of the incidental expenses of such improvement. No assessments for the cost of such acquisitions of lands, rights of way or easements under the authority of this section shall be levied in any proceeding for an amount greater than 10 percent of the engineer's estimate of the cost of the improvement, excluding any such acquisitions.

CHAPTER 233

An act to amend Sections 911.22 and 911.23 of the Agricultural Code, relating to noxious weed seeds.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 911.22 of the Agricultural Code is amended to read:

911.22. "Primary noxious weeds," as used in this article, means perennial noxious weeds such as not only reproduce by seed, but also spread by underground roots or stems, and which, when established, are highly destructive and difficult to control in this State by ordinary good cultural practice. Exception is made for certain of such species which because of wide distribution in the State are classified herein as secondary noxious weeds.

Primary noxious weeds include the following:

Austrian fieldress (*Rorippa austriaca*).

Blueweed (*Helianthus ciliaris*).

Camelthorn (*Alhagi camelorum*).

Canada thistle (*Cirsium arvense*).

Horsenettle, meaning Carolina horsenettle (*Solanum carolinense*), and white horsenettle (*Solanum elaeagnifolium*).

Leafy spurge (*Euphorbia Esula*).

Perennial gaura, meaning hairy gaura (*Gaura villosa*), scarlet gaura (*Gaura coccinea*), scented gaura (*Gaura odorata*), and wavy-leaf gaura (*Gaura sinuata*).

"Primary
noxious
weeds"

Perennial peppergrass (*Lepidium latifolium*).

Perennial sowthistle (*Sonchus arvensis*).

Quackgrass (*Agropyron repens*).

Russian knapweed (*Centaurea repens*).

Whiteweed or hoary cress, meaning pepperweed whiteweed (*Cardaria Draba*), and hairy whiteweed (*Cardaria pubescens*).

Any other species which the director, as provided in Section 917.2, finds and declares to be a primary noxious weed.

SEC. 2. Section 911.23 of said code is amended to read:

"Secondary
noxious
weeds"

911.23. "Secondary noxious weeds," as used in this article, means all species of noxious weeds not classified as primary noxious weeds.

Secondary noxious weeds include the following:

Alkali mallow (*Sida hederacea*).

Bermuda grass (*Cynodon dactylon*).

Dodder, meaning clover dodder (*Cuscuta epithymum*), Chilean dodder (*C. racemosa* var. *chiliana*), field dodder (*C. pentagona*), flax dodder (*C. epilinum*), big-seed alfalfa dodder (*C. indecora*), and little-seed alfalfa dodder (*C. planiflora*).

Johnson grass (*Sorghum halepense*).

Klamath weed (*Hypericum perforatum*).

Nutgrass, meaning yellow nutgrass (*Cyperus esculentus*) and purple nutgrass (*Cyperus rotundus*).

Poverty weed (*Iva axillaris*).

Puncture vine (*Tribulus terrestris*).

Sandbur grass (*Cenchrus pauciflorus*).

Wild morning glory or European glorybind (*Convolvulus arvensis*).

Yellow star thistle (*Centaurea solstitialis*).

Any other species which the director, as provided in Section 917.2, finds and declares to be a secondary noxious weed.

CHAPTER 234

An act to amend Sections 2070 and 2093 of the Financial Code, relating to the merger of banks and trust companies.

In effect
September
7, 1955

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2070 of the Financial Code is amended to read as follows:

2070. Any two or more banks and trust companies organized under the laws of this State may be merged into one of such constituent banks or trust companies or consolidated into a new bank or trust company upon compliance with the provisions of this article and upon compliance with the provisions of Part 8 of Division 1, Title 1 of the Corporations Code; provided, that in the case of a merger the provisions of Article 2 of Chapter 3, Part 8, Division 1, Title 1 of the Corporations

Code shall apply only to shareholders and shares owned by them in the bank or trust company being merged into a surviving bank or trust company. The merger or consolidation of such banks shall have the same force and effect as is provided in the Corporations Code for the merger or consolidation of domestic corporations.

SEC. 2. Section 2093 of the Financial Code is amended to read as follows:

2093. Nothing in this division restricts one or more national banking associations from merging into or consolidating with one or more banks organized under the laws of this State. For the purpose of effecting any such merger or consolidation a national banking association shall be deemed a "foreign corporation" as that term is used in Chapter 3, Part 8, Division 1 of the Corporations Code and the laws of Congress shall be deemed the "laws of the state" in which a national banking association is formed. If the surviving or consolidated bank or trust company is a bank or trust company organized under the laws of this State the provisions of Part 8 of Division 1, Title 1 of the Corporations Code shall apply; provided, that in the case of a merger the provisions of Article 2 of Chapter 3, Part 8, Division 1, Title 1 of the Corporations Code shall apply only to shareholders and shares owned by them in the bank or trust company being merged into a surviving bank or trust company.

CHAPTER 235

An act to amend Sections 6700 and 6703 of the Government Code, relating to Veterans Day.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6700 of the Government Code is amended to read:

6700. The holidays in this State are:

- (a) Every Sunday.
- (b) January 1st.
- (c) February 12th, known as "Lincoln Day."
- (d) February 22d.
- (e) May 30th.
- (f) July 4th.
- (g) First Monday in September.
- (h) September 9th, known as "Admission Day."
- (i) October 12th.
- (j) November 11th, known as "Veterans Day."
- (k) December 25th.
- (l) Good Friday from 12 noon until 3 p.m.
- (m) Every day on which an election is held throughout the State.

(n) Every day appointed by the President or Governor for a public fast, thanksgiving, or holiday.

SEC. 2. Section 6703 of said code is amended to read:

6703. Public offices of the State, state institutions, and the University of California shall be closed on Admission Day. Public offices of the State and state institutions, except the University of California, shall be closed on Veterans Day.

CHAPTER 236

An act to amend Section 14075 of the Health and Safety Code, relating to ambulances of fire protection districts in unincorporated areas.

In effect
September
7, 1955

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14075 of the Health and Safety Code is amended to read:

14075. The district board shall purchase and maintain all necessary and convenient engines, hose, hose carts, or carriages, and other appliances and supplies for the full equipment of a fire company or department, may purchase and maintain ambulances and operate ambulances or ambulance services within and without the boundaries of the district, may lease or rent private vehicles or equipment owned by district employees or others and reimburse them for use of same within budgetary limitations, and shall appoint fire company officers and employees sufficient to maintain and operate equipment purchased or otherwise acquired for such district.

The board is authorized, but not required, by resolution thereof, to provide for payment to each officer and employee of such fire department in a reasonable sum for each fire or drill attended by such officer or employee, and for attendance of district officers and employees at professional or vocational meetings, and payment of reasonable expenses therefor, including transportation to and from such meetings.

CHAPTER 237

An act to amend Sections 14300 and 14314 of the Health and Safety Code, relating to fire protection districts.

In effect
September
7, 1955

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14300 of the Health and Safety Code is amended to read:

14300. Any district organized or reorganized under the act which this chapter supersedes, or organized under Chapter 2 of this part or any statutory predecessor of it, may be reorganized as a district under this chapter.

SEC. 2. Section 14314 of said code is amended to read:

14314. The legality or existence of a district reorganized as provided for in this chapter shall not be affected by reason of any defect or illegality in the formation of the previously formed district. It is the intention of this article to provide a procedure for the reorganization of all districts as may not have legal existence or may desire to be governed by this chapter.

CHAPTER 238

An act to amend Section 6218 of the Public Resources Code, relating to fees of the State Lands Commission.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6218 of the Public Resources Code is amended to read:

6218. The commission may charge and collect reasonable fees for services performed by it, not exceeding the actual cost to the State of such services. In any case where the commission, either pursuant to law or rule of the commission, requires the publication of advertisements for bids or the publication of any notice in connection with the sale or leasing of state lands, the commission may, by rule, require that the cost of such publication be advanced by any applicant or bidder and be paid by the successful applicant or bidder. All money received by the commission pursuant to this section shall be remitted monthly to the State Treasurer and credited by the State Controller to and in augmentation of the appropriation for support of the commission from which the cost of such services was paid, except that money received from successful applicants or bidders shall be credited by the State Controller to and in augmentation of the current appropriation for support of the commission.

CHAPTER 239

An act to amend Section 11334 of the Government Code, relating to moneys collected for the sale of products by state institutions.

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 11334 of the Government Code is amended to read:

11334. All money received by a state agency for the sale of products shall be accounted for and reported at the end of each month to the Controller and at the same time remitted to the Treasurer and credited to the support appropriation current at the time the proceeds were received by the agency.

CHAPTER 240

An act to repeal Section 13074 of the Government Code, relating to recovery of taxes and excess freight payments.

In effect
September
7, 1955

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13074 of the Government Code is repealed.

CHAPTER 241

An act to amend Section 20751 of the Government Code, relating to appropriations to the Retirement Fund.

In effect
September
7, 1955

[Approved by Governor April 22, 1955. Filed with
Secretary of State April 22, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 20751 of the Government Code is amended to read:

20751. From the General Fund in the State Treasury there is appropriated monthly to the Retirement Fund the State's contribution for:

(a) All state miscellaneous members and all other categories of members whose compensation is paid from the General Fund.

(b) All university members whose compensation is paid from funds of, or funds appropriated to, the university.

(c) All state miscellaneous members who are employed by the Department of Education and whose compensation is paid from the Vocational Education Fund, the Vocational Rehabilitation Fund, or any other fund received, in whole or in part, as a donation to the State under restrictions preventing its use for state contributions to the retirement system.

(d) All state miscellaneous members whose compensation is paid from moneys in the Water Resources Revolving Fund, where such moneys were derived from an appropriation from the General Fund.

(e) All state miscellaneous members whose compensation is paid from the Senate Contingent Fund or the Assembly Contingent Fund.

CHAPTER 242

An act to amend Section 13109 of the Government Code, relating to the renting of state-owned property.

[Approved by Governor April 22, 1955. Filed with Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13109 of the Government Code is amended to read:

13109. With the consent of the state agency concerned, the director may: (a) Let for a period of not to exceed five years, any real or personal property which belongs to the State, the letting of which is not expressly prohibited by law, if he deems such letting is in the best interests of the State. (b) Sublet any real or personal property leased by the State, the subletting of which is not expressly prohibited by law, if he deems such subletting is in the best interests of the State.

All money received pursuant to paragraph (b) of this section shall be accounted for to the Controller at the close of each month and on order of the Controller be paid into the Treasury and credited to the appropriation from which the cost of the lease was paid.

CHAPTER 243

An act to amend Section 28109 of the Government Code, relating to compensation for public service in a county of the ninth class.

[Approved by Governor April 22, 1955. Filed with Secretary of State April 22, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28109 of the Government Code is amended to read:

28109. In a county of the ninth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, eight thousand four hundred dollars (\$8,400) a year, and if serving as auditor-controller, nine thousand six hundred dollars (\$9,600) a year.

(b) The district attorney, twelve thousand dollars (\$12,000) a year. He shall devote his entire time during office hours to the work of the county and the State and is prohibited from engaging in private work within office hours.

(c) Each supervisor other than the chairman of the board, six thousand dollars (\$6,000) a year for all services. The chairman of the board of supervisors, seven thousand two hundred dollars (\$7,200) a year for all services as chairman. In addi-

Fresno
County
Salaries

tion, each member who uses a privately owned automobile in the discharge of necessary official duties as supervisor shall be paid for the use of the automobile the following sums:

(1) In supervisorial districts containing five hundred (500) miles of road or less, fifty dollars (\$50) a month.

(2) In supervisorial districts containing more than five hundred (500) miles, but less than seven hundred fifty (750) miles of road, seventy-five dollars (\$75) a month.

(3) In supervisorial districts containing road mileage in excess of seven hundred fifty (750) miles, one hundred dollars (\$100) a month.

(d) Grand jurors and trial jurors in the superior courts, three dollars (\$3) a day while engaged in the performance of the duties required of them by law, and the mileage allowed by law. Trial jurors in the justice courts shall receive three dollars (\$3) a day and no mileage.

The county officers provided for in this section shall receive as compensation for the services required of them by law or by virtue of their offices, the salaries and expenses set forth, except that the members of the board of supervisors, auditor, and district attorney shall be allowed all actual expenses which are necessary to the performance of their duties. The expenses and the salaries designated in this section for such officers, except as specifically provided, shall be full and complete compensation for giving their entire time and attention to the duties required of them by law or which are for any reason imposed upon or performed by them under the laws of or on behalf of the United States, this State, any political subdivision thereof, or any public corporation.

All other fees, statutory mileage, or other remuneration or compensation of any kind or character received by such officers or their deputies from the United States, this State, any political subdivision thereof, or any public corporation shall be paid into the county treasury, except that this requirement does not apply to that portion of any fees collected which is authorized by statute to be paid to other persons or is necessarily diverted to other persons for the purpose of carrying out the objects of the statute.

CHAPTER 244

An act to amend Sections 8201, 8203.1, 8203.3, 8209 and 8211 of, and to add Section 8205.1 to, the Government Code, relating to notaries public.

In effect
September
7, 1955

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 8201 of the Government Code is amended to read:

8201. Every person appointed as notary public shall:

Qualifica-
tions of
notary
public

(a) Be at the time of appointment a citizen of the United States and of this State, except as otherwise provided in Section 8203.1 of this chapter.

(b) Have resided or had his principal place of business or employment in the county for which the appointment is made for 12 months, except as otherwise provided in Section 8203.1 of this chapter.

(c) Be not less than 21 years of age.

(d) Be of good moral character.

SEC. 2. Section 8203.1 of said code is amended to read:

8203.1. The Governor may appoint and commission notaries public for the military and naval reservations of the Army, Navy, Coast Guard, Air Force, and Marine Corps of the United States, wherever located in the State, without regard to any limitation upon the number that may be appointed for any one county; provided, however, that such appointee shall be a citizen of the United States, not less than 21 years of age, and of good moral character.

Notaries
public on
military
etc., res-
ervations

SEC. 3. Section 8203.3 of said code is amended to read:

8203.3. In addition to the qualifications established in Section 8203.1, appointment will be made only from among those persons who are federal civil service employees at the reservation in which they will act as notaries public.

Same
Federal
civil
service
employees

SEC. 4. Section 8209 of said code is amended to read:

8209. If any notary public dies, resigns, is disqualified, removed from office, allows his appointment to expire without obtaining reappointment within 30 days, or removes from the county for which he is appointed, his records and all his public papers shall be delivered to the clerk of the county within 30 days.

Disposi-
tion
of records
of nonacting
notary

SEC. 5. Section 8211 of said code is amended to read:

8211. The fees of a notary public are:

Fees of
notary
public

(a) For every protest for the nonpayment of a promissory note or for the nonpayment or nonacceptance of a bill of exchange, draft, or check, two dollars (\$2).

(b) For serving every notice of nonpayment of a promissory note or of nonpayment or nonacceptance of a bill of exchange, order, draft, or check, one dollar (\$1).

(c) For recording every protest, one dollar (\$1).

(d) For copying an affidavit, or other paper for which provision is not made herein, ten cents (\$0.10) for each folio.

(e) For all services rendered in connection with the taking of any deposition, the sum of five dollars (\$5). In the event the notary public is required to be present during the taking of the deposition, or the deposition is read and corrected by the witness and certified to by the notary public, he is entitled, in lieu of the fee of five dollars (\$5), to a fee equal to ten cents (\$0.10) per each folio contained in the deposition, and in addition thereto, the sum of fifty cents (\$0.50) for administering the oath to the witness and the sum of one dollar (\$1) for the certificate to such deposition.

The fees herein provided for are exclusive of any fees for services rendered either by a notary public or another in connection with the reporting or transcription of depositions.

For his services transcribing a deposition the reporter shall receive from the party purchasing the original thirty-five cents (\$0.35) per 100 words, and for each copy made at the same time ten cents (\$0.10) per 100 words; from all other parties purchasing the same the reporter shall receive for each copy made at the same time as the original fifteen cents (\$0.15) per 100 words for the first copy, and ten cents (\$0.10) per 100 words for additional copies.

(f) For taking an acknowledgment or proof of a deed, or other instrument, to include the seal and the writing of the certificate, for the first two signatures, one dollar (\$1) each, and for each additional signature, fifty cents (\$0.50).

(g) For administering an oath or affirmation, fifty cents (\$0.50).

(h) For every certificate, to include writing the same, and the seal, one dollar (\$1).

SEC. 6. Section 8205.1 is added to said code, to read:

Counties
in which
notary
may act

8205.1. Except as limited in Section 8203.2 of this chapter, a notary public shall act in his official capacity only within a county for which he is appointed; provided, that in connection with the taking of depositions any notary public may act as such in any county in this State. No person shall be appointed a notary public for more than one county, except that the same person may be separately appointed for the county of his residence and the county where he has his principal place of business or employment.

CHAPTER 245

An act to add Section 861 to the Financial Code, relating to statements rendered by banks to depositors

In effect
September
7, 1955

[Approved by Governor April 26, 1955 Filed with
Secretary of State April 26, 1955]

The people of the State of California do enact as follows:

SECTION 1. A new section is added to the Financial Code to be numbered 861, and to read as follows:

861. When a statement of account has been rendered by a bank to a depositor accompanied by vouchers, if any, which are the basis for debit entries in such account, such account shall, after the period of four years from the date of its rendition, in the event no objection thereto has been theretofore made by the depositor, be deemed finally adjusted and settled and its correctness conclusively presumed and such depositor shall thereafter be barred from questioning the correctness of such account for any cause.

A statement of account within the meaning of this section shall be deemed to have been rendered on a savings or time account when the bank, by making a notation in the depositor's bank book or in some other manner reasonably calculated to give notice thereof to the depositor indicates that a certain sum is the correct balance of the account.

Nothing herein shall be construed to relieve the depositor from the duty now imposed by law of exercising due diligence in the examination of such account and vouchers, if any, when rendered by the bank and of immediate notification to the bank upon discovery of any error therein, nor from the legal consequences of neglect of such duty; nor to prevent the application of subsection 3 of Section 340 of the Code of Civil Procedure to cases governed thereby.

CHAPTER 246

An act to amend Section 11523 of the Government Code, relating to administrative hearings.

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 11523 of the Government Code is amended to read:

11523. Judicial review may be had by filing a petition for a writ of mandate in accordance with the provisions of the Code of Civil Procedure. Except as otherwise provided in this section any such petition shall be filed within 30 days after the last day on which reconsideration can be ordered. The right to petition shall not be affected by the failure to seek reconsideration before the agency. The complete record of the proceedings, or such parts thereof as are designated by the petitioner, shall be prepared by the agency and shall be delivered to petitioner, within 30 days after a request therefor by him, upon the payment of the fee specified in Section 69950 of the Government Code as now or hereinafter amended for the transcript, the cost of preparation of other portions of the record and for certification thereof. The complete record includes the pleadings, all notices and orders issued by the agency, any proposed decision by a hearing officer, the final decision, a transcript of all proceedings, the exhibits admitted or rejected, the written evidence and any other papers in the case. Where petitioner, within 10 days after the last day on which reconsideration can be ordered, requests the agency to prepare all or any part of the record the time within which a petition may be filed shall be extended until five days after its delivery to him. The agency may file with the court the original of any document in the record in lieu of a copy thereof.

CHAPTER 247

An act to amend Sections 560 and 675 of, and to repeal Section 675a of, the Code of Civil Procedure, and to repeal Section 2938 of the Civil Code, relating to the recordation of legal transactions.

In effect
September
7, 1955

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 560 of the Code of Civil Procedure is amended to read:

Release of
attachment
of real
property

560. An attachment as to any real property may be released by a writing signed by the plaintiff, or his attorney, or the officer who levied the writ, and acknowledged and recorded in the like manner as a grant of real property; and upon the recording of such release, it is the duty of the recorder to note the same on the record of the copy of the writ on record in his office.

SEC. 2. Section 675 of said code is amended to read:

Satisfaction
of judgment

675. Satisfaction of a judgment may be entered upon an execution returned satisfied, or upon an acknowledgment of satisfaction filed with the clerk or with the judge, if there be no clerk, which may recite payment of the judgment in full or the acceptance by the judgment creditor of any lesser sum in full satisfaction thereof, made in the manner of an acknowledgment of a conveyance of real property, by the judgment creditor or assignee of record, or by endorsement by judgment creditor or assignees of record on the face, or on the margin of the record of the judgment, or by the attorney, unless a revocation of his authority is filed. Whenever a judgment is satisfied in fact, otherwise than upon an execution, the party or attorney must give such acknowledgment, or make such endorsement, and, upon motion, the court may compel it, or may order the entry of satisfaction to be made without it.

In the superior court and in municipal courts such entry shall be made in the register of actions; in justice courts, in the docket in the justice court.

Whenever an abstract of the judgment has been recorded with the recorder of any county, satisfaction thereof made in the manner of an acknowledgment of a conveyance of real property may be recorded.

Repeal

SEC. 3. Section 675a of the Code of Civil Procedure and Section 2938 of the Civil Code are repealed.

CHAPTER 248

An act to add Sections 14159.5 and 14710 to the Health and Safety Code, relating to warrants of fire protection districts.

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 14159.5 is added to the Health and Safety Code, to read:

14159.5. When any warrant of the district, properly drawn on any fund in the official custody of the county treasurer, is presented to the county treasurer for payment, and it is not paid for want of funds, the county treasurer shall endorse thereon "not paid for want of funds" and the date and time of presentation and sign his name thereto. From that time until paid the warrant bears interest at the rate of 5 percent a year.

SEC. 2. Section 14710 is added to said code, to read:

14710. When any warrant of the district, properly drawn on any fund in the official custody of the county treasurer, is presented to the county treasurer for payment, and it is not paid for want of funds, the county treasurer shall endorse thereon "not paid for want of funds" and the date and time of presentation and sign his name thereto. From that time until paid the warrant bears interest at the rate of 5 percent a year.

CHAPTER 249

An act to amend Sections 31645, 31724, and 31765.1 of, and to add Section 31627.2 to, the Government Code, relating to the retirement of county employees, declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 31627.2 is added to the Government Code, to read:

31627.2. In any county in which the provisions of Section 31676.1 apply, any member who has additional contributions under Section 31504 of the Government Code, or under Section 31627 of the Government Code, may elect in writing to have all or any part of his accumulated additional contributions returned to him. The portion returned shall not be included in the calculation of the member's annuity. The board may order

Return of
contributions

payment in whole or in part withheld for a period not to exceed 90 days after receipt of such written election.

SEC. 2. Section 31645 of said code is amended to read:

Credit for
prior service

31645. Except as provided in Section 31648 credit for prior service, whether interrupted or not, shall be granted to each person who has rendered such service as defined in or pursuant to this chapter, and who has become a member of the retirement system within one year after it becomes operative or at any time prior to October 1, 1953, whichever is the later, or within six months after discharge from military service.

SEC. 3. Section 31724 of said code is amended to read:

Effective
date of
disability
allowance

31724. If the proof received, including any medical examination, shows to the satisfaction of the board that the member is permanently incapacitated physically or mentally for the performance of his duties in the service, it shall forthwith retire him for disability, and his disability retirement allowance shall be effective as of the date such application is filed with the board, but not earlier than the day following the last day for which he received regular compensation.

SEC. 4. Section 31765.1 of said code is amended to read:

Death before
retirement.
Election by
surviving
spouse

31765.1. Upon the death of any member of a retirement system established in a county subject to the provisions of Section 31676.1, eligible for retirement pursuant to Article 7.5 or 8, who leaves a spouse designated as beneficiary, such surviving spouse may, in lieu of the death benefit provided for in Article 12, elect to receive a retirement allowance equal to 60 percent of the amount to which the member would have been entitled had the member retired on the date of his death with a retirement allowance not modified in accordance with one of the optional settlements specified in Article 11. Such surviving spouse may elect in writing, before the first payment of any allowance is made, to receive in a lump sum payment all or any part of the member's accumulated additional contributions. The sum so paid shall not be included in the calculation of the annuity of the surviving spouse.

Urgency

SEC. 5. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Upon the death in service of a member who was eligible to retire, his surviving spouse would not be entitled to the accumulated additional contributions which the member had paid in, under the existing law. While this bill would permit a member to withdraw such additional contributions many members may die before recovering such funds on deposit with the system unless the bill is given immediate effect.

CHAPTER 250

An act to amend Section 17405 of, and to add Section 17405.1 to, the Financial Code, relating to examinations of escrow agents and the payment of the cost thereof.

[Approved by Governor April 26, 1955 Filed with
Secretary of State April 26, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 17405 of the Financial Code is amended to read:

17405 The business, accounts and records of every person doing business as an escrow agent are subject to inspection and examination by the commissioner at any time without prior notice.

SEC. 2. Section 17405.1 is added to said code, to read:

17405.1. The actual cost of every inspection and examination of a licensee shall be paid to the commissioner by the licensee examined and the commissioner may maintain an action for the recovery of such costs in any court of competent jurisdiction.

CHAPTER 251

An act to amend Section 13 of the Napa County Flood Control and Water Conservation District Act (Chapter 1449 of the Statutes of 1951), relating to district taxes and assessments.

[Approved by Governor April 26, 1955 Filed with
Secretary of State April 26, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13 of the Napa County Flood Control and Water Conservation District Act is amended to read:

Sec. 13. The board shall have power, in any year:

1. To levy ad valorem taxes or assessments upon all property in the district to pay the general administrative costs and expenses of the district, and to carry out any of the objects or purposes of this act of common benefit to the district; provided, however, that said ad valorem tax or assessment shall not exceed ten cents (\$0.10) on each one hundred dollars (\$100) of assessed valuation, and

2. To levy taxes or assessments upon all property in each or any of said zones and participating zones to pay the cost and expenses of carrying out, constructing, maintaining, operating, extending, repairing or otherwise improving any or all works or improvements established or to be established within or on behalf of said respective zones, according to the benefits derived or to be derived by said respective zones.

3. To levy taxes or assessments upon all property in each or any of said zones, according to the special benefits derived or

to be derived therein to pay the cost and expenses of carrying out any of the objects or purposes of this act of special benefit to such zones, including the constructing, maintaining, operating, extending, repairing, or otherwise improving any or all works of improvement established or to be established within or on behalf of said respective zones.

In the event of project cooperation with any of the governmental bodies as authorized in subdivision 7 of Section 5 of this act, and the making of a contract with any such governmental body for the purposes set forth in said subdivision 7, by the terms of which work is agreed to be performed by any such governmental body in any specified zone or participating zones, for the particular benefit thereof, and by said contract it is agreed that the district is to pay to such governmental body, a sum of money in consideration or subvention for the performance of said work by such governmental body, the board may levy and collect a special tax or assessment upon the property in such zone or participating zones, whereby to raise funds to enable the district to make such payment, in addition to other taxes or assessments herein otherwise provided for.

Said taxes or assessments shall be levied and collected together with, and not separately from taxes for county purposes, and the revenues derived from said district taxes or assessments shall be paid into the county treasury to the credit of said district, or the respective zones thereof, and the board shall have the power to control and order the expenditure thereof for said purposes; provided, however, that no revenues, or portions thereof, derived in any of the several zones from the taxes or assessments levied under the provisions of subdivision 2 of this section shall be expended for constructing, maintaining, operating, extending, repairing or otherwise improving any works or improvements located in any other zone, except in the case of joint projects, or for projects authorized or established outside such zone, or zones, but for the benefit thereof. In cases of projects joint to two or more zones, such zones will become, and shall be referred to as, participating zones.

CHAPTER 252

An act to amend Section 4861 of the Education Code, relating to membership of schools in educational organizations.

In effect
September
7, 1955

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4861 of the Education Code is amended to read:

4861. The governing board of any school district, the governing board of any junior college district may subscribe for membership for any school under its jurisdiction, and the

county superintendent of schools with the approval of the county board of education may subscribe for membership in any society, association, or organization which has for its exclusive purpose the promotion and advancement of public or private education through research and investigation and the publication of reports on educational problems. The State Board of Education shall approve a list of societies, associations, and organizations in which membership may be taken. No payment shall be made out of school funds for membership in any society, association, or organization whose name does not appear in the list approved by the State Board of Education. The total amount paid on account of all such memberships for any school or for any county superintendent of schools shall not exceed the amount of the actual dues of the society, association, or organization during any school year.

CHAPTER 253

An act to add Section 21151 to the Government Code, relating to appointments of retired members of the State Employees' Retirement System.

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 21151 is added to the Government Code, to read:

21151. The Governor may appoint any person who has been retired under this part as a member of any nonsalaried board or commission, without reinstatement from retirement or loss or interruption of benefits under this part.

Appointment under the provisions of this section shall not be deemed employment within the meaning of Divisions 4 and 4½ of the Labor Code, and shall not provide a basis for the payment of Workmen's Compensation to a retired state employee or to his dependents.

CHAPTER 254

An act to amend Sections 1525, 1526, 1529, 1532, 1541, and 1542 of, and to add Sections 1529.1, 1532.1, 1532.2, 1542.1, and Article 2.1 to Chapter 8 of Part 2 of Division 2 of the Water Code, and to amend Section 6103.1 of the Government Code, relating to appropriation of water.

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1525 of the Water Code is amended to read:

Applica-
tion fee

1525. Every person making application for a permit to appropriate water shall pay to the department at the time of filing the application a filing fee of ten dollars (\$10).

SEC. 2 Section 1526 of the Water Code is amended to read:

Minimum
fee

1526. The ten dollar (\$10) fee is a minimum fee but shall be a credit to the extent of ten dollars (\$10) whenever the fee due upon direct diversion or storage or both totals more than ten dollars (\$10) under the schedule provided in this article, and in such case the further fee due shall be the total computed amount less ten dollars (\$10).

SEC. 3. Section 1529 of the Water Code is amended to read:

Fee for
diversion

1529 For each cubic foot per second or fractional cubic foot per second of direct diversion from one cubic foot per second to and including 100 cubic feet per second, the fee is at the rate of two dollars (\$2) per cubic foot per second.

SEC. 4. Section 1529.1 is added to the Water Code, to read:

Same

1529.1. For each cubic foot per second or fractional cubic foot per second of direct diversion over 100 cubic feet per second to and including 500 cubic feet per second, the fee is at the rate of one dollar (\$1) per cubic foot per second.

SEC. 5. Section 1532 of the Water Code is amended to read:

Fee for
storage

1532. For each acre-foot or fractional acre-foot per annum of storage to and including 1,000 acre-feet per annum, the fee is at the rate of two cents (\$0.02) per acre-foot.

SEC. 6. Section 1532.1 is added to the Water Code, to read:

Same

1532.1. For each acre-foot or fractional acre-foot per annum of storage over 1,000 acre-feet per annum to and including 5,000 acre-feet per annum, the fee is at the rate of one cent (\$0.01) per acre-foot.

SEC. 7. Section 1532.2 is added to the Water Code, to read:

Same

1532.2 For each acre-foot or fractional acre-foot per annum of storage over 5,000 acre-feet per annum to and including 100,000 acre-feet per annum, the fee is at the rate of one-half cent ($\frac{1}{2}\phi$) per acre-foot.

SEC. 8. Section 1541 of the Water Code is amended to read:

Power
purposes

1541. If the purpose or use is for the generation of electricity or other power, the fee is ten cents (\$0.10) for each theoretical horsepower capable of being developed by the works to and including 100 theoretical horsepower, five cents (\$0.05) for each horsepower in excess of 100 theoretical horsepower to and including 1,000 theoretical horsepower, and one cent (\$0.01) for each theoretical horsepower in excess of 1,000 theoretical horsepower. The minimum fee for a permit for the generation of power is five dollars (\$5).

SEC. 9. Section 1542 of the Water Code is amended to read:

1542. If for irrigation purposes, the fee is ten cents (\$0.10) for each acre of land to be irrigated to and including 100 acres, five cents (\$0.05) per acre for each acre in excess of 100 acres to and including 1,000 acres and three cents (\$0.03) for each acre over 1,000 acres. The minimum fee for a permit for irrigation purposes is five dollars (\$5). Irrigation purposes

SEC. 10. Section 1542.1 is added to the Water Code, to read:

1542.1. For all other purposes or uses the fee shall be five dollars (\$5). Other purposes

SEC. 11. Article 2.1 is added to Chapter 8 of Part 2 of Division 2 of the Water Code, to read:

Article 2.1. Other Fees

1546. Every person making application for an extension of time within which to begin construction, to complete construction, or to apply the water to full beneficial use under a permit shall pay to the department at the time of making such application a fee of five dollars (\$5). Fee for time extension

1547. Every person filing a petition for permission to change the point of diversion, place of use, or purpose of use pursuant to Chapter 10 of this part shall pay to the department at the time of filing the petition a fee of ten dollars (\$10). Fee for changing place of diversion

SEC. 12. Section 6103.1 of the Government Code is amended to read:

6103.1. Section 6103 does not apply to any fee or charge for official services required by Parts 2, 3, and 4 of Division 2 of the Water Code, other than for services to the Department of Finance. Application

CHAPTER 255

An act to amend Sections 4102, 4149 and 4671 of the Revenue and Taxation Code, relating to tax-sold and tax-deeded lands.

[Approved by Governor April 26, 1955. Filed with Secretary of State April 26, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4102 of the Revenue and Taxation Code is amended to read:

4102. The amount necessary to redeem shall be paid in lawful money of the United States and is the sum of the following: Redemption amount Generally

(a) The amount of sold taxes.

(b) The delinquent penalties and costs which were a lien on the property at the time of the sale to the State.

(c) Redemption penalties.

(d) A redemption fee of one dollar and fifty cents (\$1.50) on each separately valued parcel sold to the State subsequent to June 13, 1947.

SEC. 2. Section 4149 of said code is amended to read:

Same
Part of
assessment

4149. The amount necessary to redeem the parcel is the sum of the following:

(a) The amount of sold taxes on the parcel.

(b) Delinquent penalties and costs which were a lien on the parcel at the time of sale to the State computed on the amount of sold taxes on the parcel for that year.

(c) Redemption penalties computed on the amount of sold taxes on the parcel.

(d) A redemption fee of one dollar and fifty cents (\$1.50) on each separately valued parcel sold to the State subsequent to June 13, 1947.

SEC. 3. Section 4671 of said code is amended to read:

Payment
to State
Redemption
Tax Fund

4671. There shall be distributed to the State of California, to be placed in the State Redemption Tax Fund, the following:

One dollar and fifty cents (\$1.50) for all or any portion of each separately valued parcel of real property deeded to the State and sold to private parties or to a taxing agency.

If property is deeded to a taxing agency under a pro rata division agreement it shall not be deemed "sold" until re-sold by the taxing agency to a private party.

The one dollar and fifty cents (\$1.50) for property sold shall be paid from the total amount to be distributed. If the total amount is insufficient the one dollar and fifty cents (\$1.50) shall be reduced accordingly.

CHAPTER 256

An act to amend Section 28 of Chapter 1466 of the Statutes of 1949, as amended by Chapter 362 of the Statutes of 1953, relating to property taxation and the allocation of state funds; declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor April 26, 1955. Filed with Secretary of State April 26, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 28 of the act, as amended, cited in the title hereof, is amended to read:

Sec. 28. The provisions of Sections 1 to 27, inclusive, of this act shall take effect on September 2, 1950, to the end that they shall be operative for the first time with respect to assessments made as of the first Monday in March, 1957, and taxes levied and funds allocated on the basis thereof. Meanwhile, when funds are available for that purpose, the State Board of Equalization shall proceed with surveys in the manner directed by Section 1831 of the Revenue and Taxation

Code, as added by this act, to assure completion of a survey pursuant to that section with respect to each county by the second Monday in July, 1957.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting this necessity are:

Numerous unsolved problems of such magnitude have arisen as to the scope and application of Chapter 1466 of the Statutes of 1949, that if such law is permitted to become operative on July 1, 1955, as currently contemplated, there is great danger of a serious dislocation in the local tax structure. In order to avoid this situation, and to permit the uninterrupted continuation of the performance of necessary public services supported by revenue raised and distributed locally, it is necessary for the immediate preservation of the public peace, health and safety that this measure be enacted to take effect at once.

CHAPTER 257

An act to amend Section 44.8 of the Vehicle Code, relating to emergency vehicles.

[Approved by Governor April 26, 1955 Filed with
Secretary of State April 26, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 44.8 of the Vehicle Code is amended to read:

44.8. Authorized Emergency Vehicles Owned by State Officers or Employees. A motor vehicle owned by the State or owned by a state officer or employee, when authorized by the Commissioner of the California Highway Patrol, after certification by the head of the department, if the motor vehicle is assigned to his department, or by the State Director of Civil Defense, if the motor vehicle is assigned to the Office of Civil Defense, and when used in the performance of duties imposed upon a state officer or employee by the Civil Defense Act of 1950 and the California Disaster Act, is an authorized emergency vehicle. Whenever such vehicle is being used for purposes other than those specifically authorized herein, the siren must be disconnected and the red lights covered. Any violation of this provision shall constitute a misdemeanor and the permit granted hereunder shall be revoked.

This section shall remain in effect until the ninety-first day after the final adjournment of the 1957 Regular Session of the Legislature or until the termination of the existing national defense emergency as evidenced by cessation of compulsory military service in the armed forces of the United States by citizens of this State, and as found and declared by proclama-

tion issued by the Governor, whichever first occurs. While this section is in effect it shall supersede any existing provisions of law which are in conflict with this section; but such provisions are not repealed by this section and after this section is no longer effective shall have the same force as though this section had not been enacted.

CHAPTER 258

An act to add Article 8 to Chapter 1, Division 3 of the Public Resources Code, relating to oil and gas.

In effect
September
7, 1955

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 8 is added to Chapter 1, Division 3 of the Public Resources Code, to read:

Article 8. Recommendation of Maximum Efficient Rates of Production

3450. The Legislature takes notice of the existence of the Conservation Committee of California Oil Producers and of the fact that said committee for a number of years last past, in the interest of the conservation of oil and gas, has made recommendations of maximum efficient rates of production and for the intrapool distribution of such maximum efficient rates of production with respect to oil pools, capacity production from which pools would result in a loss of ultimate production. The Legislature declares that recommendations for such purpose are in the interest of the conservation of the oil and gas resources of this State and that it is lawful for said committee or any other committee of oil producers to issue such recommendations as to any such oil pool and for producers of oil to comply therewith or to agree to comply therewith, provided:

(a) Copies of all such recommendations shall be currently delivered to the supervisor and shall be open to public inspection in the office of the supervisor; and

(b) Any such committee shall make available to the supervisor its records, files, minutes, reports and other data pertaining to such recommendations.

The supervisor in his discretion may join in any such recommendations or may express his disapproval thereof.

The supervisor, in the absence of such recommendations by a committee of oil producers with respect to any of such pools, or if the supervisor deems any such recommendations to be insufficient or incorrect, may issue recommendations with respect to any such pools on said subject matter, and it shall be lawful for producers to comply therewith or to agree to comply

therewith. Neither a disapproval by the supervisor nor a recommendation by him shall constitute a basis for implying any obligation for producers of oil to comply with such a disapproval or recommendation.

Nothing herein contained shall be deemed to permit the production of gas in violation of Articles 5 and 6 of Chapter 1 and Chapter 2 of this division.

CHAPTER 259

An act to add Section 30585 to the Water Code, relating to county water districts.

[Approved by Governor April 26, 1955. Filed with
Secretary of State April 26, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 30585 is added to the Water Code, to read:

30585. Notwithstanding the provisions of Section 30584 a bank may act as a depository, paying agent or fiscal agent for the holding or handling of district funds notwithstanding the fact that a member of the board of directors of the district whose funds are on deposit in said bank is an officer, employee, or stockholder of such bank, or of a holding company that owns any of the stock of such bank.

CHAPTER 260

An act to amend Section 204a of the Code of Civil Procedure, relating to jury and deputy jury commissioners.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 204a of the Code of Civil Procedure is amended to read:

204a. In any county or city and county having a population of 60,000 or over, a majority of the judges of the superior court of the State of California in and for such county, to assist the judges thereof in making selections of trial jurors, and grand jurors, and whenever in their opinion the business of the court requires it, may, in their discretion, appoint a jury commissioner for such county or city and county and such deputy jury commissioners as the board of supervisors of the county or city and county determines to be necessary. In any county or city and county having a population of 60,000 or over, but less than 217,000, the jury commissioner shall receive a salary of three hundred dollars (\$300) per month, not exceeding, however, one thousand five hundred

dollars (\$1,500) in any one fiscal year. In any county or city and county having a population of 217,000 or over, but less than 235,000, the jury commissioner shall receive a salary of five hundred dollars (\$500) per month, not exceeding, however, three thousand dollars (\$3,000) in any one fiscal year. In any county, or city and county having a population of over 235,000 and not over 600,000 the jury commissioner shall receive a salary of three hundred dollars (\$300) per month. The salaries of the deputy jury commissioners shall be fixed by the board of supervisors of the county or city and county at a rate equivalent to the salary rate of other county employees holding comparable positions but in no event shall the salary of a deputy be less than two hundred seventy-five dollars (\$275) per month. The jury commissioner and the deputy jury commissioners shall hold office at the pleasure of the majority of the judges of the superior court in and for their respective counties, and their salaries shall be audited, allowed and paid out of the general fund of such county or city and county. The jury commissioner, in the discretion of the board of supervisors, shall also assist in the selection of juries in justices' courts and municipal courts, and, for performing this duty, shall receive additional compensation and help, the amount of which, and the number thereof, shall be determined by the board of supervisors.

In any county having a population of less than 60,000, the judge of the superior court or a majority of the judges thereof, to assist the judge or judges thereof in making selections of trial jurors, and whenever in their opinion the business of the court requires it, may, in their discretion, with the consent of the board of supervisors of such county, appoint a jury commissioner for such county and such deputy jury commissioners as are determined to be necessary. The salaries of the jury commissioners and deputy jury commissioners shall be fixed by the board of supervisors. The jury commissioner and the deputy jury commissioners shall hold office at the pleasure of the judge of the superior court or a majority of the judges thereof, and their salaries shall be audited, allowed, and paid out of the county general fund. The jury commissioner, in the discretion of the board of supervisors, shall also assist in the selection of juries in justice and municipal courts.

CHAPTER 261

An act to amend Sections 17403, 17404 and 17609 of the Financial Code, relating to escrow agents.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 17403 of the Financial Code is amended to read:

17403. No person subject to this division shall issue, circulate, or publish any advertisement by any means of communication, or make use of or circulate any letterheads, billheads, blank notes, blank receipts, blank escrow instructions, certificates, circulars, or any written, printed, partially written or printed paper containing any fictitious or corporate name or other words indicating that such person is in the escrow business, unless such person is a licensed escrow agent.

SEC. 2. Section 17404 of said code is amended to read:

17404. Every licensee shall keep and use in its business, books, accounts, and records which will properly enable the commissioner to determine whether the licensee is complying with the provisions of this division and with all rules and regulations made by the commissioner under this division.

SEC. 3. Section 17609 of said code is amended to read:

17609. The revocation, suspension, surrender or expiration of an escrow agent's license does not impair or affect pre-existing escrows lawfully contracted, but nothing contained in this division shall be deemed to authorize the acceptance of further funds or documents into escrow subsequent to such revocation, surrender or expiration or during any period of suspension.

CHAPTER 262

An act to amend Section 610 of the Agricultural Code, relating to cheese.

[Approved by Governor April 27, 1955 Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 610 of the Agricultural Code is amended to read:

610. Monterey cheese or Monterey jack cheese is made by the so-called stirred curd or granular process, without added color, and molded, under pressure, into characteristic forms, and containing not more than 44 percent of moisture and not less than 50 percent of milk fat in its water-free substance; except Monterey cheese or Monterey jack cheese for drying purposes which may contain less than 50 percent milk fat in its water-free substance, but in no event shall said dry cheese contain less than 46 percent of milk fat in its water-free substance.

CHAPTER 263

An act to repeal Section 612.5 of the Agricultural Code, relating to hoop cheese.

[Approved by Governor April 27, 1955 Filed with
Secretary of State April 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 612.5 of the Agricultural code is repealed.

CHAPTER 264

An act to amend Section 613 of the Agricultural Code, relating to cheese.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 613 of the Agricultural Code is amended to read:

613. (a) Uncreamed cottage cheese or cottage cheese is the soft uncured cheese prepared by the procedure set forth in paragraph (b) of this section. The finished cottage cheese contains not more than 80 percent of moisture and not more than 0.5 percent fat.

(b) One or more of the dairy ingredients specified in subparagraph (2) of this paragraph is pasteurized; calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of the mix; harmless artificial coloring may be added; harmless lactic acid-producing bacteria, with or without rennet, are added and it is held until it becomes coagulated. The coagulated mass may be cut; it may be warmed; it may be stirred; it is then drained. The curd may be washed with water and further drained; it may be pressed, chilled, worked, seasoned with salt.

(1) The dairy ingredients referred to in subparagraph (b) of this paragraph are sweet skim milk, concentrated skim milk, and nonfat dry milk solids. If concentrated skim milk or nonfat dry milk solids is used, water may be added in a quantity not in excess of that removed when the skim milk was concentrated or dried.

(2) For the purposes of this section, the term "skim milk" means the milk of cows from which the milk fat has been separated, and "concentrated skim milk" means skim milk from which a portion of the water has been removed by evaporation.

(3) For the purposes of this section, cottage cheese made from goat milk is a special variety of cheese.

(4) The packaging of uncreamed cottage cheese or cottage cheese shall take place only in a licensed milk products plant.

CHAPTER 265

An act to amend Section 614 of the Agricultural Code, relating to cheese.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 614 of the Agricultural Code is amended to read:

614. (a) Creamed cottage cheese is the soft uncured cheese prepared by mixing cottage cheese with one or more of the following pasteurized products or a pasteurized mixture of two or more of them: cream, milk, skim milk, concentrated milk, dried milk, concentrated skim milk, nonfat dry milk solids, or other constituents derived from milk, water. Such cream or product or mixture is used in such quantity that the milk fat added thereby is not less than 4 percent by weight of the finished creamed cottage cheese. The finished creamed cottage cheese contains not more than 80 percent of moisture.

(b) For the purpose of this section, "milk" means sweet milk of cows and "skim milk" means milk from which the milk fat has been separated.

(c) For the purposes of this section, creamed cottage cheese made from goat milk is a special variety of cheese.

(d) The addition of milk products to cottage cheese shall take place only in a licensed milk products plant.

CHAPTER 266

An act to add Section 614.1 to the Agricultural Code, relating to cheese.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 614.1 is added to the Agricultural Code, to read:

614.1. (a) Creamed cottage cheese to which chives, fruits or vegetables are added shall contain not less than 4 percent of milk fat and not more than 80 percent of moisture at time of sale to consumer.

When chives are added to the product, it must contain a sufficient amount of properly cleaned fresh or frozen chives so as to impart the characteristic flavor of chives to the finished product.

When fruits are added, single variety or a combination of two or more varieties, the amount added shall not be less than 10 percent and not more than 25 percent by weight of the finished product.

When vegetables are added, single variety or combination of two or more varieties, the amount added shall not be less than 5 percent and not more than 20 percent by weight of the finished product.

Fruits and vegetables shall be clean and sound and shall be frozen, canned or dried, or have been heated to a pasteurization temperature as specified in Section 515.

(b) In addition to the labeling provision of Section 620, the chives, fruits or vegetables must be shown on the label of each package in the order of predominance by weight.

CHAPTER 267

An act to amend Section 407 of the Education Code, relating to the salary of the superintendent of schools of a county of the seventh class.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 407 of the Education Code is amended to read:

San Ber-
nardino
County
Superintend-
ent of
Schools
Salary

407. The annual salary of the county superintendent of schools of a county of the seventh class is twelve thousand five hundred dollars (\$12,500), and he shall possess a valid general administrative credential issued by the State Board of Education.

CHAPTER 268

An act to amend Sections 819, 828.65, 829.2 and 829.45 of the Agricultural Code, relating to agricultural containers.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 819 of the Agricultural Code is amended to read:

Sweet
potatoes

819. Sweet potatoes shall be free from mold, decay, and soft and wet rots; and free from serious damage due to insect injury, bruises, growth cracks, or other disease, freezing, grass roots, or other causes. Damage to any one sweet potato is not serious unless it causes a waste of 10 percent, by weight, of the individual potato.

Tolerances

Not more than 10 percent, by weight, of the sweet potatoes in any one container or bulk lot may be below these requirements, but not to exceed one-half of this tolerance shall be allowed for any one cause.

Containers

All sweet potatoes when in containers which are closed must be in standard containers numbers 27, 47, 48, 48A, 48B, and 50A. The container requirements of this section shall not apply to sweet potatoes in containers which are not closed or in sacks.

SEC. 2. Section 828.65 of said code is amended to read:

Cauliflower
and sweet
potato
crates

828.65.	46	Standard cauliflower crate	----	8½	18	21½
	47	Standard sweet potato crate	--	10½	9¼	19½
	48	Special sweet potato crate	----	12	12	16
	48A	Jumbo sweet potato crate	----	14	11¼	19¾
	48B	Special sweet potato crate	----	10½	12¾	18

SEC. 3. Section 829.2 of said code is amended to read:

Standard
packs and
containers

829.2. 7. Fresh peaches, numbers, 1, 1A, 5, 6, 7, 8, 9, 9A, 9B, 12B, 15, 16, 17, 18, 18A, 22D, 25, 26, 27, 27A, or 27B.

7a. Nectarines, numbers 1, 1A, 5, 6, 7, 8, 9, 9A, 9B, 12B, 12C, 15, 16, 17, 18, 18A, 22B, 22D, 25, 26, 27 or 27A.

8. Fresh pears, numbers 1A, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 26, 27 or 29A. Container number 19 shall be standard only when used with three pads or cushions.

9. Oriental persimmons, numbers 6, 7, 8, 13, 14, 15, 16, 17, 18, 22D, 27, 27B or 32.

10. Plums or fresh prunes, numbers 1, 1A, 5, 6, 7, 8, 9, 9C, 12A, 12B, 14, 15, 16, 17, 18A, 22B, 22D, 23, 24, 25, 26 or 27.

11. "Wonderful" pomegranates, number 34.

SEC. 4. Section 829.45 of said code is amended to read:

829.45. 17. Sweet potatoes, numbers 27, 47, 48, 48A, 48B, and 50A.

18. Tomatoes, number 27.

19. Asparagus, numbers 51 and 52.

CHAPTER 269

An act to amend Section 828.53 of the Agricultural Code, relating to grape containers.

[Approved by Governor April 27, 1955. Filed with Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 828.53 of the Agricultural Code is amended to read:

828.53. 37A Standard grape lug--	3 $\frac{3}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$
37B Standard grape lug--	4 $\frac{3}{8}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$
37C Standard grape lug--	4 $\frac{1}{2}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$
37D Standard grape lug--	5 $\frac{1}{8}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$
37E Standard grape lug--	5 $\frac{1}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$
37F Standard grape lug--	5 $\frac{1}{2}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$
37G Standard grape lug--	5 $\frac{3}{4}$	13 $\frac{1}{2}$	16 $\frac{1}{8}$
38H Standard grape lug--	5 $\frac{7}{8}$	11 $\frac{1}{2}$	16 $\frac{1}{8}$
38I Standard grape lug--	4 $\frac{3}{4}$ to 6 $\frac{7}{8}$ at top	14 $\frac{1}{2}$ to 14 $\frac{7}{8}$	16 $\frac{1}{8}$
		at bottom 9 $\frac{1}{2}$	
		to 11 $\frac{1}{2}$	
38J Standard grape lug--	5 $\frac{1}{4}$	6 $\frac{3}{4}$	16 $\frac{1}{8}$

CHAPTER 270

An act to add Section 36933.1 to the Government Code, relating to city ordinance codes.

[Approved by Governor April 27, 1955. Filed with Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 36933.1 is added to the Government Code, to read:

36933.1. Whenever a city having a population of less than 2,500 inhabitants adopts an ordinance code containing all ordinances and amendments previously adopted and amendments and new ordinances to bring the codification up to the date of adoption, instead of publishing such code, amendments, and new ordinances pursuant to Section 36933, the city council may cause the code, amendments, and new ordinances to be adopted by reference as provided in Sections 50022.1 to 50022.8 inclusive of this code. Thereafter all ordinances amending the code shall be published pursuant to Section 36933.

CHAPTER 271

An act to amend Section 3320 of the Penal Code, relating to the Superintendent of the California Institution for Women.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 3320 of the Penal Code is amended to read:

3320. The superintendent shall be a woman, who shall have immediate charge and management of the institution, subject to the control of the department. The department may employ other assistants, officers and employees for the institution.

The board shall employ such parole officers and other employees as may be necessary to supervise female prisoners on parole.

CHAPTER 272

An act to repeal Section 2076 of the Penal Code, relating to the residence of a warden of a state prison.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2076 of the Penal Code is repealed.

CHAPTER 273

An act to repeal Sections 2943 and 2944 of the Penal Code, relating to discharged prisoners.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Sections 2943 and 2944 of the Penal Code are repealed.

CHAPTER 274

An act to amend Section 288a of the Penal Code, relating to sex offenses.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 288a of the Penal Code is amended to read:

288a. Any person participating in an act of copulating the mouth of one person with the sexual organ of another is punishable by imprisonment in the state prison for not exceeding 15 years, or by imprisonment in the county jail not to exceed one year; provided, however, whenever any person is found guilty of the offense specified herein, and it is charged and admitted or found to be true that he is more than 10 years older than his coparticipant in such an act, which coparticipant is under the age of 14, or that he has compelled the other's participation in such an act by force, violence, duress, menace, or threat of great bodily harm, he shall be punished by imprisonment in the state prison for not less than three years. The order of commitment shall expressly state whether a person convicted hereunder is more than 10 years older than his coparticipant and whether such coparticipant is under the age of 14. The order shall also state whether a person convicted hereunder has compelled coparticipation in his act by force, violence, duress, menace, or threat of great bodily harm.

CHAPTER 275

An act to amend Section 2070 of, and to repeal Section 2083 of, the Penal Code, relating to the records of prisoners.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2070 of the Penal Code is amended to read:

2070. (a) "Board" as used in Sections 2076, 2087 and 2091 refers to the department.

(b) "Warden" and "wardens" as used in Sections 2084, 2085 and 2090 refer to the department.

SEC. 2. Section 2083 of said code is repealed.

CHAPTER 276

An act to amend Section 19622.7 of the Business and Professions Code, relating to appropriations from the Fair and Exposition Fund.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19622.7 of the Business and Professions Code is amended to read:

19622.7. The Controller shall pay from the fund to the 1a District Agricultural Association the appropriation for the support of 1a District Agricultural Association and the appropriation made by Chapter 1424 of the Statutes of 1953 for the support of the Grand National Junior Livestock Exposition.

SEC. 2. Section 19622.7 of the Business and Professions Code is amended to read:

19622.7. The Controller shall pay from the fund to the 1a District Agricultural Association the appropriation for the support of 1a District Agricultural Association and the appropriation made by Section 19626.6 for the support of the Grand National Junior Livestock Exposition.

Effect
Stats 1955,
Ch 78

SEC. 3. Section 2 of this act becomes operative only if Chapter 1424 of the Statutes of 1953 is codified by the Legislature at its 1955 Regular Session as Section 19626.6 of the Business and Professions Code, and in such case at the same time as said Section 19626.6 takes effect, at which time Section 19622.7 of the Business and Professions Code as amended by Section 1 of this act is repealed.

CHAPTER 277

An act to amend Sections 13551, 13602, 13603, and 13607 and to repeal Sections 13553 and 13578 of the Government Code, relating to state printing.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13551 of the Government Code is amended to read:

Computation
of cost

13551. The cost of all printing and publishing by the State Printing Office shall be fixed by the department in an amount which will pay for all costs relating to such printing and publishing, including depreciation on plant and equipment.

SEC. 2. Section 13602 of said code is amended to read:

Compilation
and publica-
tion of docu-
ments, etc.

13602. The department may compile and publish such documents, pamphlets, bulletins or other publications as it

deems are for the best interests of the State or for public information.

The cost of compiling, printing and distributing any document, pamphlet, bulletin or other publication so issued, including salaries and other expenses, is payable from the State Printing Fund.

SEC. 3. Section 13603 of said code is amended to read:

13603. There shall be deducted from all money received from the sale of such documents or publications, a pro rata share of the cost of administration and the balance shall be paid monthly into the Treasury and credited to the fund from which the cost of printing was paid. The amounts deducted for administrative costs shall be deposited in the State Treasury and credited to the State Printing Fund.

Cost of administration

SEC. 4. Section 13607 of said code is amended to read:

13607. The volumes shall be distributed as follows: to the Secretary and each Member of the Senate and to the Chief Clerk and each Member of the Assembly, 10 copies; to the Governor, 25 copies; to the Lieutenant Governor, 15 copies; to the Secretary of State, the Controller, the Attorney General, the Legislative Counsel, and the Treasurer, each 10 copies; to each member of the State Board of Equalization, five copies; to the director of each state department, two copies; to the two United States Senators from California and the members of the California congressional delegation, each one copy; to the Chief Justice and Associate Justices, each one copy; to the presiding justices and justices of the district court of appeals, each one copy; and copies as provided in Section 13661 of this code.

Distribution

All other volumes shall be sold for such price as may be fixed by the department.

Any person who publishes or sells any publication whose title contains the words "State Blue Book," "California Blue Book," or any similar words which tend to confuse the publication with the State Blue Book authorized by this act is guilty of a misdemeanor.

SEC. 5. Sections 13553 and 13578 of said code are repealed

Repeal

SEC. 6. On the effective date of this act, all assets and liabilities of the State Printing Plant activity relating to the distribution and publication of documents shall be transferred to and become a part of the State Printing Fund.

Transfer of assets

CHAPTER 278

An act to amend Section 1309 of the Penal Code, relating to exonerated bail.

[Approved by Governor April 27, 1955. Filed with Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1309 of the Penal Code is amended to read:

1309. Whenever any money has been or is deposited as bail in any criminal action or proceeding, including but not limited to any proceeding in habeas corpus, in a superior court either before or after the effective date of this code section and it is made to appear to the satisfaction of the court or judge by affidavit or by testimony in open court that more than three years have elapsed since the exoneration or release of said bail and that said money cannot be paid out because the owner thereof cannot be found, the court or judge must direct that such money shall be deposited in the general fund of the county.

CHAPTER 279

An act to amend Section 429.5 of the Fish and Game Code, relating to fishing by persons in the armed forces of the United States.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 429 5 of the Fish and Game Code is amended to read:

429.5. Any member of the armed forces of the United States or any auxiliary branch thereof on active duty may take fish, in accordance with law, for purposes other than profit without a sporting fishing license.

This section shall remain in effect until the ninety-first day after the final adjournment of the 1957 General Session of the Legislature or until the termination of the existing national defense emergency as evidenced by cessation of compulsory military service in the armed forces of the United States by citizens of this State, and as found and declared by proclamation issued by the Governor, whichever first occurs. While this section is in effect it shall supersede any existing provisions of law which are in conflict with this section; but such provisions are not repealed by this section and after this section is no longer effective shall have the same force as though this section had not been enacted.

CHAPTER 280

An act to add Sections 1047, 1048, and 1049 to the Military and Veterans Code, relating to the Veterans' Home of California.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1047 is added to the Military and Veterans Code, to read:

1047. The commandant shall maintain a post fund which shall be used, at the discretion of the commandant subject to the approval of the Director of Veterans Affairs, to provide for the general welfare of the home and its members to include but not limited to providing for operations of the post exchange, motion picture theater, library, band, and to pay for newspapers, chapel expenses, welfare and entertainment expenses, sport activities, celebrations, and to pay for any necessary insurance to protect property of the fund or the post exchange, or any other activity for the benefit of the home or its members.

1048. The post fund shall include any profits from operations of the post exchange, all donations to the fund, and any money from the estates of deceased members which have been held for five years and unclaimed by the heirs.

1049. The post fund may be used to establish or operate a post exchange which may conduct any lawful endeavor which in the judgment of the commandant will benefit the members of the home. The commandant may establish the post exchange to operate at a profit.

SEC. 2. This act shall operate to confirm, validate, and legalize any act, proceeding, or other matter relating to the existence or previous activities and conduct of a post fund and a post exchange at the Veterans' Home of California.

CHAPTER 281

An act to add Section 860 to the Financial Code, relating to bank deposits by public entities.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 860 is added to the Financial Code, to read:

860. A bank may act as a depository, paying agent, trustee, or fiscal agent for the holding or handling of public funds or securities notwithstanding the fact that a member of the legislative body or an officer or employee of the depositor is an officer, employee, or stockholder of such bank, or of a holding company that owns any of the stock of such bank. Such member of a legislative body, or such officer or employee thereof, shall not be deemed "interested in any contract" as that phrase is used in Section 1090 of the Government Code, if his sole interest is the fact that he is an officer, employee, or stockholder of the bank selected to act as such depository, paying agent or fiscal agent.

CHAPTER 282

An act to add Section 60737.09 to the Government Code, relating to community services districts.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 60737.09 is added to the Government Code, to read:

60737.09. Notwithstanding the provisions of Section 60302, a bank may act as a depository, paying agent, or fiscal agent for the holding or handling of district funds, notwithstanding the fact that a member of the board of directors of the district whose funds are on deposit in said bank is an officer, employee, or stockholder of such bank, or of a holding company that owns any of the stock of such bank.

CHAPTER 283

An act to amend Section 2 of Chapter 157, Statutes of 1951, relating to game.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2 of Chapter 157, Statutes of 1951, is amended to read:

Sec. 2. The provisions of Sections 1156 and 1157 shall be effective until the ninety-first day after final adjournment of the 1957 Regular Session of the Legislature and thereafter shall have no force or effect.

CHAPTER 284

An act to repeal Sections 142, 164, and 165 of the Fish and Game Code, relating to game refuges.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Sections 142, 164, and 165 of the Fish and Game Code are repealed.

CHAPTER 285

An act to amend Section 2733.5 of the Business and Professions Code, relating to professional nurses.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2733.5 of the Business and Professions Code is amended to read:

2733.5. Until October 2, 1957, the board upon written application and receipt of a registration fee of ten dollars (\$10) may issue a temporary permit to any applicant who at the time of application is currently licensed or registered as a professional nurse under the laws of another state of the United States of America and such a temporary permit may also be issued to an applicant who at the time of application is currently authorized to legally practice as a professional nurse under the laws of the Dominion of Canada; provided, the applicant is either a citizen of the United States or has declared his intention to become a citizen of the United States. A statement by the applicant under oath that he is a citizen or that he intends to apply for citizenship when he becomes eligible to make such application shall be sufficient proof of compliance with the citizenship requirement.

The temporary permit issued under this section shall authorize the permittee to engage in the practice of nursing under this chapter until January 1, 1958.

CHAPTER 286

An act to amend Section 6010 of the Public Utilities Code and to add Section 6010.1 to the Public Utilities Code, relating to the filing of a surety bond in connection with the award of franchises.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6010 of the Public Utilities Code is amended to read:

6010. The advertisement may also contain a statement that the successful bidder for any franchise or privilege struck off, sold, and awarded under this article shall file a bond running to the county, city and county, or city, with at least two good and sufficient sureties approved by the governing body, except that the advertisement may require a corporate surety bond, to be approved by the governing body, which bond whether personal or corporate shall be in a penal sum by it prescribed and

set forth in the advertisement for bids, and conditioned that such bidder shall well and truly observe, fulfill, and perform each term and condition of the franchise, and that in case of any breach of condition of the bond, the whole amount of the penal sum therein named shall be deemed to be liquidated damages, and shall be recoverable from the principal and sureties upon the bond.

The bond if required shall be filed with the governing body within the time specified in the advertisement and if no time is specified within five days after the franchise is awarded. The franchise shall be granted by ordinance to the person, firm, or corporation to whom it has been struck off, sold or awarded. If the bond is not so filed within the time aforesaid, the award of the franchise may be set aside at any time prior to the filing thereof, and, if set aside, any money paid therefor shall be forfeited, and if an ordinance has been enacted granting the franchise, the governing or legislative body may repeal such ordinance and the franchise shall, in the discretion of the governing or legislative body, be readvertised and again offered for sale in the same manner and under the same restrictions, as provided in this article.

SEC. 2. Section 6010.1 is added to the Public Utilities Code, to read:

6010.1. Notwithstanding any other provision of this article, any franchise heretofore or hereafter granted shall not be invalid or subject to revocation because the bond required by law at the time of the award of such franchise shall not have been filed within the time then prescribed, provided the bond is filed prior to the setting aside of the award or, as the case may be, the repeal of the ordinance granting such franchise.

CHAPTER 287

An act to amend Section 1904 of the Corporations Code, relating to reduction of stated capital.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1904 of the Corporations Code is amended to read:

1904. A reduction of stated capital may be authorized by a resolution of the board of directors approved by the vote or written consent of the holders of a majority of outstanding shares regardless of limitations or restrictions on voting rights. The resolution shall set forth the amount of reduction of stated capital and the method by which outstanding par value shares, if any, shall be adjusted to the new stated capital, if any such adjustment is necessary.

No such reduction in the stated capital of the corporation shall be made to an amount less than the aggregate par value

of all par value shares without liquidation preference to remain outstanding after such reduction and the aggregate amount of the liquidation preferences upon involuntary liquidation of preferred shares with or without par value to remain outstanding after such reduction. Shares which are to be redeemed or purchased and retired out of the surplus resulting from such reduction in stated capital shall not be considered as remaining outstanding after such reduction, if the right of the corporation to redeem or purchase such shares exists at the time of reduction, and such shares are in fact redeemed or purchased and retired pursuant to Sections 1905 or 1906.

CHAPTER 288

An act to amend Section 24001 of the Government Code, relating to county officers.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 24001 of the Government Code is amended to read:

24001. A person is not eligible to a county or district office, unless at the time of his election or appointment he is of the age of 21 years or over, a citizen of the State, and an elector of the county or district in which the duties of the office are to be exercised. However, if a duly qualified health officer is not available within a county or district, then it shall not be necessary that any person appointed to such position be a citizen of the State or an elector of the county or district at the time of his appointment.

CHAPTER 289

An act to amend Section 1700 of the Harbors and Navigation Code, relating to the Board of State Harbor Commissioners for San Francisco Harbor.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1 Section 1700 of the Harbors and Navigation Code is amended to read:

1700. There is in the State Government a Board of State Harbor Commissioners for San Francisco Harbor, consisting of five commissioners. This board is the successor to all previous boards of State Harbor Commissioners for San Francisco Harbor. All vacancies on the board shall be filled by appointment by the Governor. When appointment of a successor to any

commissioner is made by the Governor, it is valid, subject to the consent of the Senate at its next regular session. Until such session the person appointed has the same authority as if his appointment had been confirmed by the Senate.

CHAPTER 290

An act to amend Section 8603 of the Revenue and Taxation Code, relating to definition of the term "motor vehicle."

In effect
September
7, 1955

[Approved by Governor April 27, 1955 Filed with
Secretary of State April 27, 1955]

The people of the State of California do enact as follows:

SECTION 1 Section 8603 of the Revenue and Taxation Code is amended to read:

8603. As used in this part "motor vehicle" includes every self-propelled vehicle operated or suitable for operation on the highway, except a vehicle used exclusively upon stationary rails or tracks and except implements of husbandry, trucks, or tractors used in agricultural operations and only incidentally operated or moved upon a highway and further excepting "special highway construction equipment" as defined in Section 39.5 of the Vehicle Code, and like equipment used on other construction work, only incidentally operated or moved upon a highway.

CHAPTER 291

An act to amend Sections 3, 4 and 6 and to repeal Section 5 of the Vallejo Sanitation and Flood Control District Act (Chapter 17 of the Statutes of the 1952 First Extraordinary Session), relating to the Vallejo Sanitation and Flood Control District.

In effect
September
7, 1955

[Approved by Governor April 27, 1955 Filed with
Secretary of State April 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 3 of the Vallejo Sanitation and Flood Control District Act is amended to read:

Trustees
Number and
qualifications

Sec. 3. Trustees. Number and Qualifications. The Vallejo Sanitation and Flood Control District herein created, shall be governed by and under the control of five trustees to be selected as hereinafter provided, who shall constitute the board of trustees thereof. Each of said trustees shall be a registered voter of the district and shall have resided therein at least one year next preceding his appointment. Two of them shall be City Councilmen of the City of Vallejo, and two of them shall be members of the Board of Supervisors of the

County of Solano and each one of them shall cease to be a trustee of said district and his office of trustee shall be vacant, at any time that he ceases to be such councilman or supervisor. The fifth trustee shall not be either such a councilman or supervisor.

The trustees shall be appointed, and serve as such trustees ^{Terms} in the manner and for terms, respectively, as provided by Section 4 of this act, except that the four trustees of said district now in office shall serve as such until their respective offices are vacant under the provisions of said Vallejo Sanitation and Flood Control Act prior to its amendment hereby, or until their successors are appointed and qualified as hereinafter provided.

SEC. 2. Section 4 of said act is amended to read:

Sec. 4. Appointment of Trustees and Successors. ^{Terms} ^{Appoint-} ^{ment} of Office. Within 30 days after any vacancy in the office of any one of the four trustees of the district who are either Councilmen of the City of Vallejo, or Supervisors of the County of Solano, which occurs after the date when this amendment becomes effective, if the vacancy is in the office of a trustee who was a Councilman of the City of Vallejo, the Mayor of the City of Vallejo shall appoint a successor to fill such office, who shall be a qualified member of said city council, and if the vacancy is in the office of a trustee who was a Supervisor of the County of Solano, the chairman of the board of supervisors shall appoint a successor to fill such office who shall be a qualified member of the board of supervisors of said county, and a resident of the district.

If the successor trustee so appointed is a City Councilman of the City of Vallejo, his appointment by the mayor of said city shall be subject to approval and confirmation by the city council of said city, and if he is a Supervisor of the County of Solano, his appointment shall be subject to approval and confirmation by the board of supervisors of said county.

The term of office of each of the four trustees of said district above provided for shall begin upon his appointment and qualification and said trustee, and each of them, respectively, shall continue in office until the termination of the current term of office, of each of them, respectively, as the case may be, or until their successors are appointed and qualified. By "current term of office" is meant, the term of office being served by such trustee as councilman or supervisor, at the time of his appointment under provisions hereof.

The fifth trustee of said Vallejo Sanitation and Flood Control District shall be appointed and hold office in the manner ^{Appointment} ^{of fifth} ^{trustee} and for the term as follows:

The four ex officio trustees who are City Councilmen of the City of Vallejo, and Supervisors of the County of Solano, and incumbents as such trustees, shall at the first regular meeting of said trustees in September, 1955, if this act be then in effect, or if not, at their first regular meeting after this act shall be

come effective, appoint such fifth trustee, who shall be a qualified person under Section 3 of this act, except that he shall be neither a City Councilman of the City of Vallejo, nor a Supervisor of the County of Solano, which appointment shall be subject to approval and confirmation by both the City Council of the City of Vallejo, and the Board of Supervisors of the County of Solano. Said fifth trustee shall then take such office for the term of four years from and after the date of his appointment, or until his successor is appointed and qualified. Thereafter the office of said fifth trustee shall be filled in the same manner, for successive terms of four years each, or until such successor is appointed and qualified. Neither said fifth trustee nor his successors shall ever be entitled to vote for such successor in office.

Any vacancy in the office of such fifth trustee herein provided for shall be filled by the other four trustees then in office, who shall meet and make such appointment for the unexpired term within 30 days following any such vacancy, subject to approval and confirmation by the City Council of the City of Vallejo and the Board of Supervisors of the County of Solano.

Repeal

SEC. 3. Section 5 of said act is repealed.

Compensation

SEC. 4. Section 6 of said act is amended to read:

Organization

Meetings

SEC. 6. Compensation, Organization and Meetings of Trustees. Each trustee of the district shall receive and be paid as compensation, the sum of twenty dollars (\$20) for each meeting of the board of trustees attended by him, whether regular or special; provided, however, that he shall not be so paid for any meetings in excess of three in any one month, nor more than sixty dollars (\$60) in any one month, as such compensation. The trustees shall elect one of their number as president of the board, one as vice president, and one as secretary, but none of said officers shall receive any additional compensation for their services as such. They shall establish and maintain an office within the district for the transaction of the business thereof, at which office all books, records and papers of the district must be kept and shall be open to inspection at all reasonable times. They shall hold regular meetings at such office, at such times as they shall by resolution prescribe. Special meetings may be called and held on written order of any two trustees and 24 hours written notice to any trustee not joining in the order. The order must specify the business for which the special meeting is called and no other business shall be transacted thereat. The county treasurer shall be the treasurer of the district.

CHAPTER 292

An act to amend Sections 3013, 3014, 3014.5, and 3016.9 of the Civil Code, relating to trust receipts.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3013 of the Civil Code is amended to read:

3013. In this chapter unless the context or subject matter otherwise requires: Definitions

1. "Buyer in the ordinary course of trade" means a person to whom goods are sold and delivered for new value or a person to whom goods are leased and delivered for new value and who acts in good faith and without actual knowledge of any limitation on the trustee's liberty of sale or lease, including one who takes by conditional sale or under a preexisting mercantile contract with the trustee to buy goods delivered, or like goods, for cash or on credit. "Buyer in the ordinary course of trade" does not include a pledgee, a mortgagee, a lienor, or a transferee in bulk. "Buyer in the ordinary course of trade"

2. "Document" means any document of title to goods. "Document"

3. "Entruster" means the person who has or directly or by agent takes a security interest in goods, documents or instruments, under a trust receipt transaction, and any successor in interest of such person. A person in the business of selling goods or instruments for profit, who at the outset of the transaction has, as against the buyer, general property in such goods or instruments, and who sells the same to the buyer on credit, retaining title or other security interest under a purchase money mortgage or conditional sales contract or otherwise, is excluded. "Entruster"

4. "Goods" means any chattels personal other than: money, things in action, or things so affixed to land as to become a part thereof. "Goods"

5. "Instrument" means "Instrument"

(a) Any negotiable instrument as defined in Title 15 of Part 4 of Division 3 of the Civil Code and amendments thereto, or

(b) Any certificate of stock, or bond or debenture for the payment of money issued by a public or private corporation as part of a series, or

(c) Any interim, deposit, or participation certificate or receipt, or other credit or investment instrument of a sort marketed in the ordinary course of business or finance, of which the trustee, after the trust receipt transaction, appears by virtue of possession and the face of the instrument to be the owner "Instrument" does not include any document of title to goods.

6. "Lien creditor" means any creditor who has acquired a specific lien on the goods, documents or instruments by attach- "Lien creditor"

ment, levy, or by any other similar operation of law or judicial process, including a distraining landlord.

"New
value"

7. "New value" includes new advances or loans made, or new obligation incurred, or the release or surrender of a valid and existing security interest, or the release of a claim to proceeds under Section 3016.6; but "new value" shall not be construed to include extension or renewals of existing obligations of the trustee, nor obligations substituted for such existing obligations.

"Person"

8. "Person" means, as the case may be, an individual, trustee, receiver or other fiduciary, partnership, corporation, business trust, or other association, and two or more persons having a joint or common interest.

"Posses-
sion"

9. "Possession", as used in this chapter with reference to possession taken or retained by the entruster, means actual possession of goods, documents or instruments, or, in the case of goods, such constructive possession as, by means of tags or signs or other outward marks placed and remaining in conspicuous places, may reasonably be expected in fact to indicate to the third party in question that the entruster has control over or interest in the goods.

"Purchase"

10. "Purchase" means taking by sale, conditional sale, lease, mortgage, or pledge, legal or equitable.

"Purchaser"

11. "Purchaser" means any person taking by purchase. A pledgee, mortgagee or other claimant of a security interest created by contract is, in so far as concerns his specific security, a purchaser and not a creditor.

"Security
Interest"

12. "Security interest" means a property interest in goods, documents or instruments, limited in extent to securing performance of some obligation of the trustee or of some third person to the entruster, and includes the interest of a pledgee, and title, whether or not expressed to be absolute, whenever such title is in substance taken or retained for security only.

"Transfer
in bulk"

13. "Transferee in bulk" means a mortgagee or a pledgee or a buyer of the trustee's business substantially as a whole.

"Trustee"

14. "Trustee" means the person having or taking possession of goods, documents or instruments under a trust receipt transaction, and any successor in interest of such person. The use of the word "trustee" herein shall not be interpreted or construed to imply the existence of a trust or any right or duty of a trustee in the sense of equity jurisprudence other than as provided by this chapter.

"Value"

15. "Value" means any consideration sufficient to support a simple contract. An antecedent or pre-existing claim, whether for money or not, and whether against the transferor or against another person, constitutes value where goods, documents or instruments are taken either in satisfaction thereof or as security therefor.

SEC. 2. Section 3014 of the Civil Code is amended to read:

Trust
receipt
transaction

3014. (1) A trust receipt transaction within the meaning of this chapter is any transaction to which an entruster and a

trustee are parties, for one of the purposes set forth in subdivision (3) of this section, whereby

(a) The entruster or any third person delivers to the trustee goods, documents or instruments in which the entruster (i) prior to the transaction has, or for new value (ii) by the transaction acquires or (iii) as the result thereof is to acquire promptly, a security interest; or

(b) The entruster gives new value in reliance upon the transfer by the trustee to such entruster of a security interest in instruments or documents which are actually exhibited to such entruster, or to his agent in that behalf, at a place of business of either entruster or agent, but possession of which is retained by the trustee; provided, that the delivery under paragraph (a) or the giving of new value under paragraph (b) either

(i) Be against the signing and delivery by the trustee of a writing designating the goods, documents or instruments concerned, and reciting that a security interest therein remains in or will remain in, or has passed to or will pass to, the entruster, or

(ii) Be pursuant to a prior or concurrent written and signed agreement of the trustee to give such a writing.

The security interest of the entruster may be derived from the trustee or from any other person, and by pledge or by transfer of title or otherwise.

If the trustee's rights in the goods, documents or instruments are subject to a prior trust receipt transaction, or to a prior equitable pledge, Section 3016.5 and Section 3015, respectively, of this chapter, determine the priorities.

(2) A writing such as is described in subdivision (1) paragraph (i), of this section signed by the trustee, and given in or pursuant to such a transaction, is designated in this chapter as a "trust receipt." No further formality of execution or authentication shall be necessary to the validity of a trust receipt.

(3) A transaction shall not be deemed a trust receipt transaction unless the possession of the trustee thereunder is for a purpose substantially equivalent to any one of the following:

(a) In the case of goods, documents or instruments, for the purpose of selling or exchanging them, or of procuring their sale or exchange; or, also, in the case of durable goods having a per unit retail value of at least one thousand dollars (\$1,000), for the purpose of leasing them in the ordinary course of business; or

(b) In the case of goods or documents, for the purpose of manufacturing or processing the goods delivered or covered by the documents, with the purpose of ultimate sale, or for the purpose of loading, unloading, storing, shipping, transshipping or otherwise dealing with them in a manner preliminary to or necessary to their sale; or

(c) In the case of instruments, for the purpose of delivering them to a principal, under whom the trustee is holding them, or for consummation of some transaction involving delivery to a depository or registrar, or for their presentation, collection, or renewal.

Trust
receipt
transaction

SEC. 3. Section 3014.5 of the Civil Code is amended to read:
3014.5. A trust receipt transaction is also one in which, pursuant to a trust receipt, a motor vehicle, house trailer, trailer, semitrailer or aircraft dealer or a dealer in other durable goods as trustee obtains new value from an entruster upon the transfer to the entruster of a security interest in new or used motor vehicles, house trailers, trailers, semitrailers or aircraft or upon the transfer to the entruster of a security interest in new or used other durable goods having a per unit retail value of at least one thousand dollars (\$1,000), whether or not such vehicles, trailers, aircraft or other durable goods are owned or possessed by the trustee prior or subsequent to the execution of the trust receipt document, and whether or not such vehicles, trailers, aircraft or other durable goods are thereafter retained in the trustee's possession.

All provisions of this chapter which are applicable to the trust receipt transactions enumerated in Section 3014 are applicable to the trust receipt transaction specified in this section.

Statement
filed with
Secretary
of State

SEC. 4. Section 3016.9 of said code is amended to read:
3016.9. (1) Any entruster undertaking or contemplating trust receipt transactions with reference to documents or goods is entitled to file with the Secretary of State a statement, signed by the entruster and the trustee, containing:

(a) A designation of the entruster and the trustee, and of the chief place of business of each within this State, if any; and if the entruster has no place of business within the State, a designation of his chief place of business outside the State; and

(b) A statement that the entruster is engaged, or expects to be engaged, in financing under trust receipt transactions the acquisition of goods by the trustee; and

(c) A description of the kind or kinds of goods covered or to be covered by such financing or the general nature of the business of the trustee out of which such trust receipt transactions are to arise.

Form

(2) Either one of the following forms of statement (or any other form of statement containing substantially the same information) shall suffice for the purposes of this chapter:

“Statement of Trust Receipt Financing

“The entruster, ----- whose chief place of business within this State is at -----, (or who has no place of business within this State and whose chief place of business outside this State is at -----), is or expects to be engaged in financing under trust receipt transactions the acquisition by the

trustee, ----- whose chief place of business within this State is at ----- of goods of the following description: (coffee, silk, automobiles, or the like).

(Signed)-----Entruster

(Signed)-----Trustee''

“The entruster, ----- whose chief place of business within this State is at -----, (or who has no place of business within this State and whose chief place of business outside this State is at -----), is or expects to be engaged in financing under trust receipt transactions the acquisition of merchandise by the trustee, ----- whose chief place of business within this State is at ----- and the general nature of such business is -----.

(Signed)-----Entruster

(Signed)-----Trustee.”

(3) It shall be the duty of the filing officer to mark each statement filed with a consecutive file number, and with the date and hour of filing, and to keep such statement in a separate file; and to note and index the filing in a suitable index, indexed according to the name of the trustee and containing a notation of the trustee's chief place of business as given in the statement. The fee for such filing shall be one dollar (\$1).

(4) Presentation for filing of the statement described in subdivision 1, and payment of the filing fee, shall constitute filing under this chapter, in favor of the entruster, as to any documents or goods falling within the description in the statement which are within one year from the date of such filing, or have been, within 30 days previous to such filing, the subject-matter of a trust receipt transaction between the entruster and the trustee.

(5) At any time before expiration of the validity of the filing, as specified in subdivision 4, a like statement, or an affidavit by the entruster alone, setting out the information required by subdivision 1, may be filed in like manner as the original filing. Any filing of such further statement or affidavit shall be valid in like manner and for like period as an original filing, and shall also continue the rank of the entruster's existing security interest as against all junior interests. It shall be the duty of the filing officer to mark, file and index the further statement or affidavit in like manner as the original.

CHAPTER 293

An act to amend Section 16302.1 of the Government Code, relating to the disposition of amounts less than two dollars (\$2) paid to state agencies determined to constitute overpayments of taxes, penalties, interest, license fees, or other revenues due the State of California.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 16302.1 of the Government Code is amended to read:

16302.1. Whenever any person pays to any state agency pursuant to law an amount covering taxes, penalties, interest, license or other fees, or any other payment which constitutes revenue to the State, and it is subsequently determined by the state agency responsible for the collection thereof that such amount includes an overpayment of two dollars (\$2) or less of the amount due the State pursuant to the assessment, levy, or charge to which the payment is applicable, the amount of such overpayment may be disposed of in either of the following ways:

(1) The state agency responsible for the collection of the revenue to which the overpayment relates may apply the amount of such overpayment as a payment by such person on any other taxes, penalties, interest, license or other fees, or any other amount due the State from such person; provided, such state agency is responsible by law for the collection of the revenue to which such overpayment is to be applied as a payment.

(2) Upon written request of the state agency responsible for the collection of the revenue to which the overpayment relates, the amount of such overpayment shall, on order of the Controller, be deposited as miscellaneous revenue in the fund in the State Treasury into which such revenue, exclusive of overpayments, is required by law to be deposited.

The provisions of this section shall not affect the right of any person making overpayment of any amount to the State to make claim for refund of such overpayment, nor the authority of any state agency or official to make payment of any amount so claimed, if otherwise authorized by law.

CHAPTER 294

An act to add Section 16304.5 to the Government Code, relating to availability of funds appropriated for California State Fair and Exposition construction projects.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 16304.5 is added to the Government Code, to read:

16304.5. Upon prior approval of the Department of Finance, contracts for construction of any California State Fair and Exposition project for which funds have been appropriated may be entered into prior to the date that such funds will be available for expenditure if such construction will not be completed until subsequent to the date of availability of the funds. After the date such appropriation becomes available for expenditure the Controller may make expenditures pursuant to a contract entered into pursuant to this section.

CHAPTER 295

An act to amend Section 68084 of the Government Code, relating to deposit of money in the county treasury.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 68084 of the Government Code is amended to read:

68084. When any money is deposited with the clerk or judge of any court pursuant to any action or proceeding in the court, or pursuant to any order, decree, or judgment of the court, or when any money is to be paid to the treasurer pursuant to any provision of this title or the Code of Civil Procedure, such money shall be deposited as soon as practicable after the receipt thereof with such treasurer and a duplicate receipt of the treasurer for it shall be filed with the auditor. The certificate of the auditor that a duplicate receipt has been filed is necessary before the clerk, judge, or party required to deposit the money is entitled to a discharge of the obligation imposed upon him to make the deposit.

When any money so deposited is to be withdrawn or paid out, the order directing the payment or withdrawal shall require the auditor to draw his warrant for it and the treasurer to pay it. In any city governed by a charter, such withdrawals shall be made pursuant to the charter.

Notwithstanding any other provision of law, any municipal court or justice court may elect, with prior approval of the county auditor, to deposit in a bank account pursuant to Section 53679 of the Government Code all moneys deposited with such court, or with the clerk thereof. All moneys received and disbursed through such bank account shall be properly accounted for under such procedures as the State Controller may deem necessary, and shall be subject to periodic settlement with the county auditor as required by law.

CHAPTER 296

An act to amend Section 16474 of the Government Code, relating to investment of Surplus Money Investment Fund money, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 16474 of the Government Code is amended to read:

16474. The money in the Surplus Money Investment Fund, may be invested and reinvested by the State Treasurer in any securities described in Sections 16430, 16431 and 16432 of this code. Such securities may be sold by the State Treasurer or exchanged by him for other securities of the kind authorized to be purchased hereunder, if, in his discretion, such sale or exchange appears to be in the best interests of the State.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In accordance with the present law the money in the Surplus Money Investment Fund is invested in government securities having maturity dates not in excess of one year. This means that the money will have to be reinvested upon the maturity of such securities approximately May 15, 1955. Since the Federal Government is no longer offering this type of security the money must be reinvested at a 50 percent loss in yield. This bill will permit investment in securities which would maintain the present yield. Because of the millions of dollars involved a 50 percent loss in yield will be a substantial sum. It is therefore necessary that this bill have immediate effect to permit the timely reinvestment of such funds without such loss.

CHAPTER 297

An act to amend Section 16305.5 of the Government Code, relating to deposit or investment of treasury trust accounts funds, declaring the urgency thereof to take effect immediately.

In effect
immediately

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 16305.5 of the Government Code is amended to read:

16305.5. Money in treasury trust accounts may be deposited by the State Treasurer in banks, as provided in Chapter 4 of Part 2 of Division 4 of Title 2 of this code, to the same extent as if the money in trust accounts were money in the State Treasury, or it may be invested and reinvested by the State Treasurer in any securities described in Sections 16430, 16431 and 16432 of this code.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In accordance with the present law the money in the treasury trust accounts is invested in government securities having maturity dates not in excess of one year. This means that the money will have to be reinvested upon the maturity of such securities approximately May 15, 1955. Since the Federal Government is no longer offering this type of security the money must be reinvested at a 50 percent loss in yield. This bill will permit investment in securities which would maintain the present yield. Because of the millions of dollars involved a 50 percent loss in yield will be a substantial sum. It is therefore necessary that this bill have immediate effect to permit the timely reinvestment of such funds without such loss.

CHAPTER 298

An act to amend Sections 24476 and 24955 of the Water Code, relating to irrigation district revenue bonds.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION. 1. Section 24476 of the Water Code is amended to read:

24476. A district may provide for a reserve fund to be used for the payment of the interest or principal of any outstanding bonds. If the estimate referred to in Section 24955 and the order determining the amount of bonds provided for in Section 24962, provide for a revenue bond reserve fund in a specified amount to be set aside out of the proceeds of sale of revenue bonds, then the district may, upon the sale of any bonds payable solely from revenues, create such revenue bond reserve fund and set aside in such fund out of the proceeds of sale of such bonds a sum not exceeding such specified amount, such fund to be maintained from revenues and used and withdrawn solely for the purpose of paying the principal of and interest on such bonds in the event that no other funds are available therefor.

SEC. 2. Section 24955 of said code is amended to read :

24955. The estimate may include a sum sufficient to pay the interest on the proposed construction bonds for four years or less and, if the bonds are to be payable solely from revenues, the estimate may also include a sum for a revenue bond reserve fund to be set aside out of the proceeds of sale of revenue bonds to be maintained by revenues and used and withdrawn solely for the purpose of paying the principal of and interest on such bonds in the event that no other funds are available therefor.

CHAPTER 299

An act to amend Section 9702 of the Government Code, relating to the printing of bills.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 9702 of the Government Code is amended to read :

9702. The Secretary of the Senate, in the case of Members and Members-elect of the Senate, and the Chief Clerk of the Assembly, in the case of Members and Members-elect of the Assembly, shall, prior to the convening of any session of the Legislature, order the printing of all legislative bills and constitutional amendments which have been approved for printing by the Committee on Rules of the Senate, upon the request of Members and Members-elect of the Senate, or the Committee on Rules of the Assembly, upon the request of Members and Members-elect of the Assembly; provided, that such approval shall not be required as to requests for the printing of bills where such requests are made after the general election by members or members-elect who certify in writing that they intend to introduce such bills at the convening of the session. They shall be printed by the State Printing Office, and the cost paid out of the appropriation for legislative printing.

CHAPTER 300

An act to amend Section 24431 of the Business and Professions Code, relating to alcoholic beverages, to take effect immediately.

In effect
immediately

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 24431 of the Business and Professions Code is amended to read :

24431. Except as otherwise provided in this division, an excise tax is imposed upon all beer and wine sold in this State by a manufacturer, wine grower, or importer, or sellers of beer or wine selling beer or wine, with respect to which no tax has been paid within areas over which the United States Government exercises jurisdiction, at the following rates:

Excise tax
on beer
and wine

(a) On all beer, sixty-two cents (\$0.62) for every barrel containing 31 gallons and at a proportionate rate for any other quantity.

(b) On all still wines containing not more than 14 percent of absolute alcohol by volume, one cent (\$0.01) per wine gallon and at a proportionate rate for any other quantity.

(c) On all still wines containing more than 14 percent of absolute alcohol by volume, two cents (\$0.02) per wine gallon and at a proportionate rate for any other quantity.

(d) On champagne, sparkling wine, excepting sparkling hard cider, whether naturally or artificially carbonated, thirty cents (\$0.30) per wine gallon and at a proportionate rate for any other quantity.

(e) On sparkling hard cider, two cents (\$0.02) per wine gallon and at a proportionate rate for any other quantity.

SEC. 2. This act shall become operative on July 1, 1955.

Operative
date
Tax levy

SEC. 3. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 301

An act to amend Section 696 of the Fish and Game Code, relating to the canning or smoking of striped bass.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 696 of the Fish and Game Code is amended to read:

696. It is unlawful to buy or sell striped bass or parts thereof, or to possess striped bass or parts thereof in any fish bait store or fish market where fish are bought, possessed, or sold, or in any restaurant, or other eating establishment where food is offered for sale to the public, or in any truck or other conveyance operated by or for a fish dealer. Nothing in this section prohibits either:

(a) The preparation for storage and the storage of not more than one daily bag limit of lawfully taken striped bass in a locker plant if such fish are placed, after preparation for storage, in a locker assigned to the exclusive use of the owner of such fish.

(b) The preparation for consumption of lawfully taken striped bass in a restaurant or other eating establishment when such fish are brought to such restaurant or eating establish-

ment by the owner of such fish for the purpose of having them prepared for consumption by himself or by himself and others.

(c) The canning or smoking of lawfully taken striped bass by a fish cannery or processor as a service for licensed anglers.

Each can or jar containing striped bass canned under the provisions of this section shall have printed or stamped upon it the words "Not to Be Sold" in letters of such size as to be clearly legible. All striped bass or pieces thereof which have been smoked under the provisions of this section shall be wrapped in packages bearing the words "Not to Be Sold" in letters of such size as to be clearly legible.

CHAPTER 302

An act to amend Section 459 of the Vehicle Code, relating to powers of local authorities.

In effect
September
7, 1955

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 459 of the Vehicle Code is amended to read:

459. Powers of Local Authorities. The provisions of this division shall not prevent local authorities within the reasonable exercise of the police power from adopting rules and regulations by ordinance or resolution on the following matters:

(a) Regulating or prohibiting processions or assemblages on the highways.

(b) Licensing and regulating the operation of vehicles for hire.

(c) Regulating traffic by means of traffic officers.

(d) Regulating traffic by means of semaphores or other traffic control signaling devices.

(e) Designating particular highways as one-way highways and requiring that all vehicles thereon be moved in one specified direction.

(f) Closing any highway to vehicular traffic when in the opinion of the legislative body having jurisdiction such highway is no longer needed for vehicular traffic.

(g) Designating any highway as a through highway and requiring that all vehicles stop before entering or crossing the same or designating any intersection as a stop intersection and requiring all vehicles to stop at one or more entrances to such intersection.

(h) Prohibiting the use of particular highways by certain vehicles, except as otherwise provided by the Public Utilities Commission pursuant to Article 2 of Chapter 5 of Part 1 of Division 1 of the Public Utilities Code.

(i) Closing particular streets during regular school hours for the purpose of conducting automobile driver training programs in the secondary schools and colleges of this State.

No ordinance or resolution enacted under subdivision (e), (f), (g), (h) or (i) hereof shall be effective until signs giving notice of such local traffic laws are posted at all entrances to the highway or part thereof affected. All signs giving notice of any local traffic laws under subdivision (f) hereof shall conform to the specifications applicable to stop signs hereinafter set forth.

No ordinance or resolution proposed to be enacted under subdivisions (d), (e), (f), (g), (h) or (i) hereof shall be effective with respect to any highway which is not under the exclusive jurisdiction of the local authority enacting the same; provided, that as to any state highway, if prior to the enactment of such ordinance or resolution, the legislative body of the local authority proposing to enact the same shall submit to the Department of Public Works such ordinance or resolution in complete draft form, and the said department gives its approval in writing to the application thereof to such state highways or parts thereof as the department shall specify in said approval, then said ordinance or resolution shall upon its enactment be effective as to such state highways or parts thereof as the department shall have specified in its said approval.

CHAPTER 303

An act to amend Section 158 of the Vehicle Code, relating to display of license plates.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 158 of the Vehicle Code is amended to read:

158. Display of License Plates. (a) License plates issued for a motor vehicle other than a motorcycle or power cycle shall be attached thereto, one in the front and the other in the rear. The license plate issued for all other vehicles required to be registered hereunder shall be attached to the rear thereof.

(b) Every license plate shall at all times be securely fastened to the vehicle for which it is issued so as to prevent the plate from swinging and shall be mounted not less than 12 inches nor more than 60 inches from the ground in a position to be clearly visible, and the legibility of such plate shall not be decreased or impaired by any foreign material or covering.

(c) Every license plate issued by this State or any other jurisdiction within or without this Country shall remain attached during the period of its validity to the vehicle for which it is issued while being operated within this State or

during the time such vehicle is being held for sale in this State, except as otherwise permitted by law with reference to special plates issued to a manufacturer, transporter or dealer and except plates issued for vehicles which are exempt from payment of registration fees or plates which bear other distinguishing marks or symbols when such vehicles are no longer exempt from payment of registration fees or no longer entitled to plates bearing distinguishing marks or symbols. This section shall not apply to plates which the department as authorized has ordered to be surrendered, transferred to another vehicle or removed.

(d) The department may seize any license plate which is not attached to the vehicle for which issued when and as required hereunder and may attach or require such plate to be attached to the proper vehicle.

CHAPTER 304

An act to amend Sections 30350, 30652, and 30654 of, and to add Sections 30608, 30654.5, and 30659 to, the Streets and Highways Code, relating to toll bridges and other toll highway crossings, declaring the urgency thereof and providing that this act shall take effect immediately.

In effect
immediately

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 30350 of the Streets and Highways Code is amended to read:

Prohibition
against
competing
facilities

30350. As long as any of the bonds issued pursuant to this chapter for the acquisition, construction, enlargement, extension or change in design or structure of any toll bridge or other highway crossing are outstanding and unpaid, there shall not be erected, constructed or maintained any other bridge, subway, tunnel, or other crossing over, under, through, or across the waters over which such bridge or other highway crossing is located or constructed, connecting or adjoining directly or indirectly the lands or extensions thereof or abutments thereon on both sides of the waters spanned or crossed by such bridge or other highway crossing within a distance of 10 miles from either side of such bridge or highway crossing, excepting bridges or other highway crossings actually in existence and being maintained, or for which there was outstanding an existing and lawfully issued franchise, at the time of the acquisition or location of the toll bridge or other highway crossing and prior to the time of the authorization of the revenue bonds.

Exceptions

Where a distance of less than 10 miles has been specified in any bond resolution containing the obligations of the authority in connection with any bonds theretofore issued, the department and the authority may construct new bridges or other

highway crossings within less than 10 miles of the bridge or other highway crossing for which bonds are outstanding, but the provisions of any bond resolution adopted, prior to January 1, 1955, or similar provisions in any bond resolution thereafter adopted, in connection with the issuance of such bonds shall be observed. But, no such provisions shall prevent the construction of the Southern Crossing within eight miles of the San Mateo-Hayward Bridge.

SEC. 2. Section 30608 is added to said code, to read:

30608. Pending the issuance and sale of bonds secured by the tolls of the San Francisco-Oakland Bay Bridge for the financing of the Southern Crossing specified in Article 2 of this chapter, the authority shall continue to fix and the department shall collect tolls at substantially the same rates as in effect January 1, 1955. Revenues therefrom shall continue to be devoted to fulfilling any obligations of the authority pursuant to any bond indenture or statute in effect on said date, and any surplus revenues shall be held and invested as authorized by law for assistance in the financing of the Southern Crossing or such other purpose as may be authorized or provided by law.

Tolls and
revenues

SEC. 3. Section 30652 of said code is amended to read:

30652. As soon after the effective date of this section as it may lawfully do so under federal law, the California Toll Bridge Authority shall issue bonds in a sufficient amount to pay or provide for the payment of engineering studies, plans, and specifications of an additional bridge or other highway crossing across San Francisco Bay to relieve congestion of traffic on the toll bridge and to reimburse the State for such engineering expenses as have theretofore been incurred by it for that purpose, which additional bridge or other highway crossing is designated the Southern Crossing. Subject to the provisions of the bond resolution, the proceeds of any bonds issued prior to January 1, 1954, may be used for the payment of all engineering, traffic, and financial studies and expenses in connection with the financing and construction of the Southern Crossing. The authority may issue such additional bonds as are necessary to complete the engineering, plans, specifications, estimates of cost, and all other studies necessary to assure the financing and construction of the Southern Crossing. After the completion of a report including an estimate of costs of financing and constructing the Southern Crossing and its approaches as described in this article, the department may use any funds available to it from the proceeds of any bonds issued under this article by the authority for the additional purpose of studying revisions in the approach system as described and outlined in the Assembly Journal for March 23, 1955, at page 1704.

Bonds for
studies,
etc., of
Southern
Crossing

SEC. 4. Section 30654 of the Streets and Highways Code is amended to read:

30654. If the westerly terminus of the Southern Crossing is in the vicinity of Third and Army Streets, then the westerly approaches shall include:

Approaches
Westerly

(a) A freeway connection with Bayshore Freeway in the vicinity of 26th Street, with on-and-off ramps in both directions on Bayshore Freeway, together with connections to city streets in that location, and

(b) A freeway connection between Army Street and the Embarcadero Freeway in the vicinity of Mission Street with connections to city streets at Army Street, 23d Street, 19th Street, Main and Harrison Streets, Spear and Harrison Streets, Howard and Mission Streets on the Embarcadero, Fourth and Brannan Streets, and a high-level bridge 135 feet above China Basin.

Easterly

If the easterly terminus of the Southern Crossing is on Bay Farm Island at or in the vicinity of a point on the southwest-erly shore thereof south of the intersection of Kilkenny Road and the county road connecting Bay Farm Island with the City of Alameda, the easterly approaches shall include:

(a) A freeway crossing Bay Farm Island to the bridge connecting the island with the City of Alameda, with on-and-off ramps in both directions, connecting with Kilkenny Road and the county road extending southeasterly, and also with the highway along the northerly shore of Bay Farm Island.

(b) A freeway from a point on the Bay Farm Island Free-way to a point on the Eastshore Freeway, to be constructed southeasterly from the City of Alameda.

(c) A connection from Bay Farm Island to a point on the southerly shore of the City of Alameda and a freeway along the southerly shore of the City of Alameda from such point to a southerly prolongation of Main Street, thence northerly along Main Street to a point near Atlantic Avenue, and thence to the Posey Tube connecting the City of Alameda and the City of Oakland and a parallel tube which shall be constructed as part of the approaches, with on-and-off ramps connecting the freeway with the southerly end of Webster Street in the City of Alameda, and with adequate on-and-off ramps connect-ing the freeway and tubes with the streets in the Cities of Oakland and Alameda.

The tube parallel to the Posey Tube connecting the City of Alameda with the City of Oakland at Webster Street, and the approaches to the parallel tubes shall be constructed immediately as soon as money is obtained that may be used therefor either through the sale of revenue bonds the proceeds of which may be used for such purpose or through the refinancing by the Reconstruction Finance Corporation or any other agency

SEC. 5. Section 30654.5 is added to said code, to read:

Alternative provisions

30654.5. In the event that any of the approaches specified in Section 30654 involve crossings of property for which federal authorization is necessary and the necessary authoriza-tions cannot be obtained from the appropriate officials of the Federal Government, the authority and the department shall promptly determine appropriate substitutions or revisions in the system of approaches, except that the portion of the free-way described in subdivision (c) of Section 30654 along the

line of Main Street shall not be moved easterly more than 900 feet.

SEC. 6. Section 30659 is added to said code, to read:

30659. The California Toll Bridge Authority Act and this article constitute, with respect to all other laws of this State, the latest legislative enactment with respect to the financing and construction of the Southern Crossing and the approaches thereto. Construction

SEC. 7. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

Progress on the engineering studies of the Southern Crossing have progressed to the point that unless authorization is given immediately to complete traffic, financial, insurance and other studies preliminary to financing and constructing the Southern Crossing, and the provisions of law relating to said crossing are clarified, the project will be delayed. Traffic congestion in the Bay area is continuing to grow and public safety and welfare demand the completion of the Southern Crossing at the earliest possible moment. It is therefore imperative that this act take immediate effect.

CHAPTER 305

An act to amend Section 1194.8 of the Insurance Code, relating to excess fund investments of insurers.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1194.8 of the Insurance Code is amended to read:

1194.8. Excess fund investments may be made by a life insurer in real estate and leases thereof and in making improvements thereon for business or residential purposes as an investment for the production of income. The phrase "business or residential purposes" shall not include real estate or leases primarily intended for use or valued as agricultural, horticultural, farm, ranch or mineral property. Any such investment may be made only by admitted insurers having admitted assets aggregating in value not less than twenty-five million dollars (\$25,000,000). Real estate and leases acquired and improvements made thereon under this section shall not exceed in the aggregate an amount equal to 5 percent of the insurer's admitted assets. Real estate and leases acquired under this section shall be in addition to that which is authorized to be acquired under the provisions of paragraphs (a) to (h) inclusive of Section 1150. Except upon the prior approval in writing of the commissioner, an investment may not be made

under the authority of this section if at the time of the making of such investment it would result in the insurer then owning real estate and leases thereof, other than of the kind and for the purposes described in paragraphs (a), (b) and (f) of Section 1150, in an amount exceeding 5 percent of the insurer's admitted assets. Any investment in a single parcel of real estate or in a single leasehold including improvements thereon made under the authority of this section shall not be made in an amount in excess of 1 percent of the insurer's admitted assets. A lease eligible for purchase hereunder shall be for a term which at the date of purchase shall not expire for at least 24 years. Percentage or dollar value of assets as provided herein shall be determined by the insurer's last preceding annual statement of conditions and affairs made as of the December 31st last preceding and which has been filed with the commissioner pursuant to law.

CHAPTER 306

An act to add Sections 26516.4, 26516.5, 26516.6, 26516.7, and 26516.8 to the Health and Safety Code, relating to the adulteration, misbranding, and advertising of meat.

In effect
September
7, 1955

[Approved by Governor April 28, 1955. Filed with
Secretary of State April 28, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 26516.4 is added to the Health and Safety Code, to read:

26516.4. It shall be unlawful for any person to:

False, etc.,
advertising
re quality,
etc., of meat

(a) Make, publish, disseminate, circulate or place before the public any advertisement relating to the sale of meat where the advertisement contains any assertion, representation or statement which is untrue, deceptive, or misleading or falsely represents the kind, classification, grade, or quality of any meat so advertised;

(b) Use any term of quality without using or having for sale the quality of meat advertised or offered for sale;

(c) Designate any quality of meat as "A" or "AA" or any other term indicating grade;

(d) Use the term "USDA" unless the official grade is also designated; or

(e) Designate or use any brand name of a company unless the meat so advertised or displayed for sale is of a quality which the use or designation of the brand name of such company would reasonably indicate.

SEC. 2. Section 26516.5 is added to said code, to read:

Unlawful
advertising,
etc

26516.5. It shall be unlawful to advertise or display for sale:

(a) Any meat of the ovine species that is two years old or over, as "yearling" or "lamb." Such meat must be clearly designated as "mutton."

(b) Any meat using the words "Prime," "Choice," or "Good" unless such meat advertised for sale actually bears the USDA Federal meat grading stamp designating such grade;

(c) Any ham unless the advertisement or display states whether the ham is skinned or regular;

(d) Any ham portion as "one-half" or "half ham" that has had a center slice removed;

(e) Any pork shoulder using the word "ham"; or

(f) Any meat or meat product which has been branded or marked as imitation by a manufacturer or processor unless the advertisement or display clearly states that such meat or meat product is an imitation.

SEC. 3. Section 26516.6 is added to said code, to read:

26516.6. It shall be unlawful to substitute in any sale any inferior or cheaper cut of meat without informing the purchaser that such substitution is being made. Substitution of inferior or cheaper cut

SEC. 4. Section 26516.7 is added to said code, to read:

26516.7. It shall be unlawful to keep or display any canned meats or canned meat products at a temperature exceeding 50 degrees Fahrenheit if the label of such meats or meat products designates that they should be kept under refrigeration. Refrigeration of canned meats

SEC. 5. Section 26516.8 is added to said code, to read:

26516.8. Sections 26516.4, 26516.5, 26516.6, and 26516.7 shall not apply to newspaper publishers, printers, or distributors, or the agents or employees of such newspaper publishers, printers, or distributors, or to persons enumerated in Section 48.5 of the Civil Code. Exceptions

CHAPTER 307

An act to amend Section 476a of the Penal Code, relating to passing checks and other commercial paper with insufficient funds.

[Approved by Governor April 27, 1955. Filed with
Secretary of State April 28, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 476a of the Penal Code is amended to read:

476a. Any person who for himself or as the agent or representative of another or as an officer of a corporation, wilfully, with intent to defraud, makes or draws or utters or delivers any check, or draft or order upon any bank or depository, or person, or firm, or corporation, for the payment of money, knowing at the time of such making, drawing, uttering or delivering that the maker or drawer or the corporation has not sufficient funds in, or credit with said bank or depository, or person, or firm, or corporation, for the payment of such check, draft or order, and all other checks, drafts, or orders upon such funds then outstanding, in full upon its presenta-

tion, although no express representation is made with reference thereto, is punishable by imprisonment in the county jail for not more than one year, or in the state prison for not more than 14 years.

Where such check, draft or order is protested, on the ground of insufficiency of funds or credit, the notice of protest thereof shall be admissible as proof of presentation, nonpayment and protest and shall be presumptive evidence of knowledge of insufficiency of funds or credit with such bank or depository, or person, or firm, or corporation.

The word "credit" as used herein shall be construed to mean an arrangement or understanding with the bank or depository or person or firm or corporation for the payment of such check, draft or order.

If any of the preceding paragraphs, or parts thereof, shall be found unconstitutional or invalid, the remainder of this section shall not thereby be invalidated, but shall remain in full force and effect.

CHAPTER 308

An act to add Section 21.1 to the Fish and Game Code, relating to age limits for fish and game wardens.

In effect
September
7, 1955

[Approved by Governor April 29, 1955 Filed with
Secretary of State April 29, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 21.1 is added to the Fish and Game Code, to read:

21.1. Notwithstanding Section 18932 of the Government Code, the minimum age limit for any examination for the position of Fish and Game Warden of the California Department of Fish and Game shall be 21 years, and the maximum age limit shall be 40 years. The age limits set herein shall not affect civil service eligible lists in effect at the time this statute becomes effective, nor to departmental employees in the first examination held subsequent to the effective date of this section.

CHAPTER 309

An act to amend Sections 1203 and 11175 of the Penal Code, relating to the Uniform Act for Out-of-State Probationer or Parolee Supervision.

In effect
September
7, 1955

[Approved by Governor April 29, 1955 Filed with
Secretary of State April 29, 1955]

The people of the State of California do enact as follows:

SECTION 1 Section 11175 of the Penal Code, is amended to read:

11175. This article may be cited as the Uniform Act for Short title
Out-of-State Probationer or Parolee Supervision.

SEC. 2. Section 1203 of the Penal Code is amended to read :

1203. After the conviction by plea or verdict of guilty of a public offense not amounting to a felony, in cases where discretion is conferred on the court or any board or commission or other authority as to the extent of the punishment, the court, upon application of the defendant or of the people or upon its own motion, may summarily deny probation, or at a time fixed may hear and determine in the presence of the defendant the matter of probation of the defendant and the conditions of such probation, if granted. If probation is not denied, and in every felony case in which the defendant is eligible for probation, before any judgment is pronounced, and whether or not an application for probation has been made, the court must immediately refer the matter to the probation officer to investigate and to report to the court, at a specified time, upon the circumstances surrounding the crime and concerning the defendant and his prior record, which may be taken into consideration either in aggravation or mitigation of punishment. The probation officer must thereupon make an investigation of the circumstances surrounding the crime and of the prior record and history of the defendant, must make a written report to the court of the facts found upon such investigation, and must accompany said report with his written recommendations, including his recommendations as to the granting or withholding of probation to the defendant and as to the conditions of probation if it shall be granted. The report and recommendations must be filed with the clerk of the court as a record in the case. At the time or times fixed by the court, the court must hear and determine such application, if one has been made, or in any case the suitability of probation in the particular case, and in connection therewith must consider any report of the probation officer, and must make a statement that it has considered such report which must be filed with the clerk of the court as a record in the case. If the court shall determine that there are circumstances in mitigation of punishment prescribed by law, or that the ends of justice would be subserved by granting probation to the defendant, the court shall have power in its discretion to place the defendant on probation as hereinafter provided; if probation is denied, the clerk of the court must forthwith send a copy of the report and recommendations to the Department of Corrections at the prison or other institution to which the defendant is delivered.

Probation shall not be granted to any defendant who shall have been convicted of robbery, burglary, burglary with explosives, rape with force or violence, arson, murder, assault with intent to commit murder, attempt to commit murder, train wrecking, kidnaping, escape from a state prison, conspiracy to commit any one or more of the aforementioned felonies, and who at the time of the perpetration of said crime or any of them or at the time of his arrest was himself armed

Summary
determina-
tion of
probation

Investigation
by probation
officer

Probation

When
probation
cannot be
granted

with a deadly weapon (unless at the time he had a lawful right to carry the same), nor to a defendant who used or attempted to use a deadly weapon upon a human being in connection with the perpetration of the crime of which he was convicted, nor to one who in the perpetration of the crime of which he was convicted wilfully inflicted great bodily injury or torture, nor to any defendant unless the court shall be satisfied that he has not been twice previously convicted of felony in this State nor twice previously convicted in any other place or places of public offenses which would have been felonies if committed in this State; nor to any defendant convicted of the crime of robbery, burglary of the first degree, burglary with explosives, rape with force or violence, arson, murder, attempt to commit murder, assault with intent to commit murder, train wrecking, extortion, kidnaping, escape from a state prison, violation of Sections 286, 288 or 288a of this code, or conspiracy to commit any one or more of the aforesaid felonies, unless the court shall be satisfied that he has never been previously convicted of a felony in this State nor previously convicted in any other place of a public offense which would have been a felony if committed in this State; nor to any defendant unless the court shall be satisfied that he has never been previously convicted of a felony in this State nor convicted in any other place of a public offense which would have been a felony if committed in this State and at the time of the perpetration of said previous offense or at the time of his arrest for said previous offense he was himself armed with a deadly weapon (unless at the time he had a lawful right to carry the same) or he personally used or attempted to use a deadly weapon upon a human being in connection with the perpetration of said previous offense or in the perpetration of said previous offense he wilfully inflicted great bodily injury or torture; nor to any public official or peace officer of the State, county, city, city and county, or other political subdivision who, in the discharge of the duties of his public office or employment, accepted or gave or offered to accept or give any bribe or embezzled public money or was guilty of extortion. No probationer shall be released to enter another state of the United States, unless and until his case has been referred to the California Administrator, Interstate Probation and Parole Compacts, pursuant to the Uniform Act for Out-of-State Probationer and Parolee Supervision.

Sentence
where no
probation

In those cases in which the defendant is not eligible for probation, the judge may in his discretion refer the matter to the probation officer for an investigation of the facts relevant to sentence. The probation officer must thereupon make an investigation of circumstances surrounding the crime and the prior record and history of the defendant and make a written report to the court of the facts found upon such investigation.

CHAPTER 310

An act to amend Section 71383 of the Government Code, relating to audits of municipal and justice courts.

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 71383 of the Government Code is amended to read:

71383. The accounts of each municipal court and justice court shall be audited at least once a year. The county auditor shall supply the State Controller with a certified copy of each such audit. If the accounts of any municipal or justice court are not audited annually, the State Controller may audit them. If such audit is requested by the board of supervisors the cost of such audit shall be paid from the general fund of the county in which such court is situated.

CHAPTER 311

An act to amend Sections 60101, 60104, 60105, 60111, and 60128 of the Government Code, and to amend Sections 60120, 60122, 60124, 60125, and 60127 (all as added by Chapter 1711 of the Statutes of 1951) of the Government Code, relating to community services districts.

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 60101 of the Government Code is amended to read:

60101. Proceedings for the formation of a district shall be commenced by filing as hereinafter provided a petition addressed to the board of supervisors of the county in which the territory of the proposed district lies. The petition may consist of any number of separate instruments each of which must comply with all the requirements for a petition except as to the number of signatures.

Formation
Petition

If the proposed district lies in more than one county separate petitions shall be addressed to the board of supervisors of each county.

SEC. 2. Section 60104 of said code is amended to read:

60104. The petition shall be filed with the clerk of the board of supervisors of the county or counties in which the proposed district lies. Said board shall, at its next regular meeting, or it may at any earlier special meeting, fix a time and place for the hearing of the petition not less than 20 days nor more than 40 days after the date of such meeting.

Filing

Hearing

SEC. 3. Section 60105 of said code is amended to read:

Notice

60105. The board of supervisors to whom the petition is addressed shall cause notice of the hearing to be published in a newspaper of general circulation, circulated within the territory of the proposed district which lies in the county. Such notice shall be published at least twice with an interval of at least six days between the first and last publication. Publication must be completed at least six days before the date of the hearing.

SEC. 4. Section 60111 of said code is amended to read:

Request for
exclusion,
inclusion

60111. At the hearing any owner of land in the proposed district may present to the board of supervisors of the county in which such land is situated a request in writing for exclusion of such land or any part thereof and any owner of land outside the proposed district may present to the board of supervisors of the county in which such land is situated a request in writing for inclusion of such land in the proposed district.

SEC. 5. Section 60120, as added by Chapter 1711 of the Statutes of 1951, of said code is amended to read:

Election
Call

60120. Upon the final hearing the board of supervisors shall call and give notice of an election to be held in the proposed district, or if the proposed district lies in more than one county, in the territory of the proposed district which lies in the county, for the purpose of determining whether or not it shall be formed and for the selection of persons who shall serve as the directors of said district if said district is formed.

SEC. 6. Section 60122, as added by Chapter 1711 of the Statutes of 1951, of said code is amended to read:

Notice

60122. Notice of the election shall be published in a newspaper of general circulation circulated with the territory of the proposed district which lies in the county. Such notice shall be published at least twice with an interval of at least six days between the first and last publication. Publication shall be complete at least six days before the date of the election.

SEC. 7. Section 60124, as added by Chapter 1711 of the Statutes of 1951, of said code is amended to read:

Conduct

60124. The election shall be called and conducted and candidates nominated in the manner hereinafter provided for general district elections except that the board of supervisors or boards of supervisors shall establish election precincts, designate the polling place or places, appoint the election board or boards, and canvass the returns.

SEC. 8. Section 60125 of said code, as added by Chapter 1711 of the Statutes of 1951, is amended to read:

Canvass

60125. The vote shall be canvassed by the board of supervisors or boards of supervisors on the first Monday which is four or more days after the election.

SEC. 9. Section 60127 of said code, as added by Chapter 1711 of the Statutes of 1951, is amended to read:

60127. If the majority of the votes cast at the election is in favor of forming the district the board of supervisors or boards of supervisors shall by resolution entered on its minutes declare the district duly organized under the Community Services District Law, giving the name of the district and the purposes for which it is formed, and describing its boundaries. If the district lies in more than one county, the county clerk of each county in which the district lies shall transmit a certified copy of such resolution to the county clerk of each of the other counties in which such district lies. Effect of election

SEC. 10. Section 60128 of said code is amended to read:

60128. If the district lies in one county the county clerk shall immediately after the entering of the resolution in the board minutes pursuant to Section 60127, or if the district lies in more than one county the county clerk of each county in which the district lies shall immediately after the entering of such resolution and the receipt of the certified copies from the county clerks of each of the other counties in which the district lies referred to in Section 60127, cause to be filed in the office of the county recorder of the county for which he is county clerk and with the Secretary of State a certified copy of the resolution forming the district. Thereupon the organization of the district shall be complete. Resolution of formation

CHAPTER 312

An act to amend Section 16651 of the Public Utilities Code, relating to the fixation of tax rates.

[Approved by Governor April 29, 1955 Filed with
Secretary of State April 23, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 16651 of the Public Utilities Code is amended to read:

16651. If the board elects to avail itself of county assessments, it shall, on or before the first weekday in September, or if such weekday falls upon a holiday on the first business day thereafter, fix the rate of taxes, designating the number of cents upon each one hundred dollars (\$100), using as a basis the value of property as assessed by the county assessors and returned to the board by the county auditors. The rate of taxation shall be sufficient to raise the amount previously fixed by the board. These acts by the board are a valid assessment of the property and a valid levy of the taxes so fixed.

CHAPTER 313

An act to amend Section 21201 of the Financial Code, relating to pawnbrokers.

In effect
September
7, 1955

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 21201 of the Financial Code is amended to read:

21201. Every loan made by a pawnbroker for which goods are received in pledge as security shall be evidenced by a written contract a copy of which shall be furnished to the borrower. The loan contract shall set forth the loan period and the date on which the loan is due and payable, and shall clearly inform the borrower of his right to redeem the pledge during the redemption period.

Every pawnbroker shall retain in his possession, after the date on which the loan became due and payable, clothing and furs pledged to him for a period of six months, and every other article pledged to him for a period of nine months. During such periods the borrower may redeem the articles upon payment of the loan and interest charges.

If any pledged article is not redeemed during the six or nine month redemption period as provided herein, the pawnbroker shall notify the borrower by registered mail addressed to his last known address of the termination of the redemption period, and extending the right of redemption for a period of 10 days from date of mailing of such notice. If any pledged article is not redeemed within such 10 day period, the pawnbroker shall become vested with all right, title, and interest of the pledgor, or his assigns, to the pledged article, to hold and dispose of as his own property subject to the provisions of this chapter. Any other provision of law relating to the foreclosure and sale of pledges shall not be applicable to any pledge the title to which is transferred in accordance with this section.

CHAPTER 314*An act to add Section 1324 to the Fish and Game Code, relating to nutria permits.*

In effect
September
7, 1955

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1324 is added to the Fish and Game Code, to read:

1324. All persons rearing or importing nutria (South American beaver, coypu) must provide for the care of these

animals in pens that shall preclude their escape, and must obtain from the department a permit which will allow for the importation or holding of these animals under rules and regulations adopted by the commission. The cost of such permits shall be twenty-five dollars (\$25) annually.

CHAPTER 315

An act to amend Section 4538 of the Elections Code, relating to campaign statements.

[Approved by Governor April 29, 1955. Filed with Secretary of State April 29, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4538 of the Elections Code is amended to read:

4538. Every committee shall appoint a treasurer, who shall receive and disburse all moneys contributed for campaign purposes, and keep a true account thereof, and except at primaries shall, in the same manner and on the same type of forms as required of candidates, file an itemized statement of all money received or disbursed by him as such treasurer. The county clerk upon request shall furnish such treasurer with the necessary forms for submitting the statement required of him by this section.

CHAPTER 316

An act to repeal an initiative act entitled "An act relating to the rights, powers and disabilities of aliens and of certain companies, associations and corporations with respect to property in this State, providing for escheats in certain cases, prescribing the procedure therein, requiring reports of certain property holdings to facilitate the enforcement of this act, prescribing penalties for violation of the provisions hereof, and repealing all acts and parts of acts inconsistent or in conflict herewith," approved by the electors November 2, 1920, relating to rights of aliens, to provide for the submission of said act to the electors, in accordance with Section 1b of Article IV of the Constitution of California, at the general election on November 4, 1956.

[Approved by Governor April 29, 1955. Filed with Secretary of State April 29, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The act cited in the title hereof, together with all amendments thereof and all acts supplementary thereto, is repealed.

SEC. 2. Section 1 of this act shall take effect when submitted to and approved by the electors.

Repeal

Operative
date of
repeal

Submission
to electors

SEC. 3. The repeal made by this act shall be submitted to the electors at the general election on November 4, 1956. Except as otherwise provided in this act, the provisions of law applicable to the submission of constitutional amendments proposed by the Legislature shall apply to the submission of said repeal.

Pre-election
procedure

SEC. 4. Immediately after the effective date of this act, the Secretary of State shall transmit a copy of this act to the Attorney General, together with a request that a ballot title for the measure be prepared. At the same time, the Secretary of State shall also transmit a copy of the act to the Legislative Counsel, together with a request that the analysis provided for in Section 1509.7 of the Elections Code be prepared. Within 10 days thereafter the ballot title and the analysis shall be transmitted to the Secretary of State.

Arguments,
pro and con

SEC. 5. Immediately after the effective date of this act, the Speaker of the Assembly shall appoint the author of this act and one other Member of the Assembly who voted for said act on final passage in the Assembly to write an argument in favor of the proposition submitted pursuant to this act. The Speaker of the Assembly shall also appoint one of the Members of the Assembly who voted against this act on its final passage in the Assembly to write an argument against said proposition. If there was no negative vote in the Assembly on the final passage of this act, the Speaker may appoint some other person to write an argument against the proposition. Each such argument shall consist of not more than 500 words and shall be filed with the Secretary of State within 30 days after the effective date of this act.

Ballot
pamphlet

SEC. 6. There shall be printed in the ballot pamphlet for the 1956 general election the ballot title, analysis, and arguments for and against the proposition submitted pursuant to this act, but this act shall not be printed in full in the ballot pamphlet but in lieu thereof Section 1 of this act shall be so printed. On the ballot at said election the proposition submitted pursuant to this act shall be designated by its ballot title.

CHAPTER 317

An act to amend Sections 6534.6 of the Business and Professions Code, relating to barbers and barber colleges.

In effect
September
7, 1955

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6534.6 of the Business and Professions Code is amended to read:

6534.6. For the purposes of this chapter and the regulations of the board, each separate location at which the practice of barbering or any part thereof is taught shall be considered

to be a separate college, and a separate certificate shall be required for each. A student enrolled in a college may attend theory classes at another approved college which is in the immediate area of and under the same administration and ownership as the college at which he is enrolled; provided, adequate records are maintained at each separate college where the student is in training.

CHAPTER 318

An act to add Articles 3 and 4 to Chapter 7 of Division 5 of the Financial Code, relating to credit unions.

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Articles 3 and 4 are added to Chapter 7 of Division 5 of the Financial Code, to read:

Article 3. Conversion Into Federal Credit Union

15700. A credit union may convert itself into a federal credit union by following the procedure contained in this article. Conversion into federal credit union

15701. Upon recommendation of the board of directors the members of any credit union may by an affirmative majority vote of such members resolve to convert such credit union into a federal credit union. Majority vote

15702. Within 10 days after the meeting at which the members determine to convert into a federal credit union, the credit union shall file in the office of the commissioner a certificate verified by the affidavit of the board of directors of such credit union. The certificate shall contain a copy of the minutes of the meeting and a statement that the members have approved the determination to convert such credit union into a federal credit union. A like certificate shall be filed in the Office of the Secretary of State. Certificate

15703. A certified copy of the certificate required by Section 15702 filed in the Office of the Secretary of State is presumptive evidence of the holding of the meeting and the action taken thereat. Presumptive evidence

15704. After the meeting of the members, the credit union shall take such action as is necessary to make it a federal credit union, and within 10 days after receipt of the federal charter the credit union shall file in the office of the commissioner and in the Office of the Secretary of State, a copy of the charter issued to such credit union by the Bureau of Federal Credit Unions or a certificate showing the organization of such credit union as a federal credit union certified by or on behalf of the Bureau of Federal Credit Unions. Upon the filing of Filing of charter

such instrument in the Office of the Secretary of State the credit union ceases to be a state credit union and is a federal credit union.

Transfer of
property.
etc

15705. At the time the conversion into a federal credit union becomes effective the credit union ceases to be supervised by this State and all of the property of the credit union, including all of its right, title, and interest in and to all property of every kind and character immediately, by operation of law and without any conveyance, or transfer and without any further act or deed, is vested in the credit union under its new name and style as a federal credit union and under its new jurisdiction.

Continuation
of re-spon-
sibility

15706. The converted federal credit union shall have, hold, and enjoy the property mentioned in Section 15705 in its own right as fully and to the same extent as the property was possessed, held, and enjoyed by it as a state credit union and the federal credit union shall continue responsible for all of the obligations of the state credit union to the same extent as though the conversion had not taken place. The federal credit union shall be merely a continuation of the state credit union under a new name and new jurisdiction and such revision of its corporate structure as is considered necessary for its proper operation under the new jurisdiction.

Article 4. Conversion of Federal Credit Union

Conversion
of federal
credit union
Majority
vote

15750. Upon recommendation of its board of directors, any federal credit union may convert itself into a credit union under the laws of this State by an affirmative majority vote of the members of such federal credit union.

Officers, etc

15751. The officers and directors of the federal credit union shall be the officers and directors of the credit union after conversion takes effect, to hold office until their successors are elected and qualified.

Audit

15752. The commissioner may conduct a joint audit of the federal credit union with federal auditors. Upon completion of such audit, he shall issue a certificate to the Bureau of Federal Credit Unions showing the results of such audit. The commissioner may also certify that the transfer of the assets and liabilities from the federal credit union to a credit union subject to the laws of this State has been effected in compliance with the applicable laws of this State. The costs of the audit mentioned in this section shall constitute a charge against the credit union.

Filing of
copies of
minutes

15753. Copies of the minutes of the proceedings of the meeting of the members in which they voted to convert into a state credit union, verified by the affidavit of the board of directors of the credit union, shall be filed within 10 days after the meeting in the office of the commissioner, and, in duplicate, with the Bureau of Federal Credit Unions.

Presumptive
evidence

15754. The verified copies of the minutes of the meeting, when filed as required by Section 15753, are presumptive evidence of the holding of and action taken at such meeting.

15755. After a meeting as provided in Section 15750, the federal credit union shall take or cause to be taken such action in the manner prescribed and authorized by this division as shall make it a credit union of this State. The directors shall file the documents and take such proceedings as are required by this division in the case of the original incorporation of a credit union. Procedure

15756. The directors of a credit union converted from a federal credit union may insert in the articles of incorporation the following statement: "This credit union is incorporated by conversion from a federal credit union." Articles of
incorporation

15757. Within 10 days after the filing of the articles of incorporation with the Secretary of State, there shall be filed, with the Bureau of Federal Credit Unions, two copies of the articles of incorporation, certified by the Secretary of State. Filing

15758. Upon the filing of the articles of incorporation with the Secretary of State, the credit union ceases to be a federal credit union and is a credit union under the laws of this State. All of the property of such credit union, including all of its right, title, and interest in and to all property of every kind and character immediately, by operation of law and without any conveyance or transfer, and without any further act or deed, is vested in the credit union under its new name and style as a credit union and under its new jurisdiction. Transfer of
property,
etc

15759. The converted credit union shall have, hold, and enjoy the property mentioned in Section 15758 in its own right as fully and to the same extent as the property was possessed, held, and enjoyed by it as a federal credit union and the converted credit union continues responsible for all of the obligations of the federal credit union to the same extent as though conversion had not taken place. The converted credit union is merely a continuation of the federal credit union under a new name and new jurisdiction and such revision of its corporate structure as is considered necessary for its proper operation under the new jurisdiction. Continuation
of respon-
sibility

CHAPTER 319

An act to add Section 95 to the Agricultural Code, relating to state, district and county fairs.

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 95 is added to the Agricultural Code, to read:

95. Where a charge is made for admission to enter a state, district, county, or citrus fruit fair in this State, entrance to such fairgrounds, without the payment of the established admission price, shall be limited as follows:

Credential admissions shall be those admissions authorized by the board of directors of a state, district, or citrus fruit fair or by the board of supervisors of a county for admission to a fair without payment when a service is rendered necessary for the conduct of the fair. The words "credential admission" shall be printed on each ticket so issued.

Credential admissions may be issued to individuals, associations, and bodies who prepare or service educational, commercial, industrial, livestock, agricultural, horticultural, viticultural displays or exhibits, service, maintain or operate concessions; render, through agreement with the fair, a service to fair patrons; render a necessary public service, safeguard health, provide for public safety, participate in parades or events necessary for the conduct of the fair; representatives of press, radio, and television personally engaged in obtaining and transmitting public information; ambulance drivers, firemen on duty, and repairmen necessary to service utilities, and to employees of the fair, and state officials in the performance of duty.

Courtesy pass admissions shall be all admissions, without payment of the admission charge, to any state, county, district, citrus fruit, or county fair, except credential admissions, children under 12 years of age, and military personnel in uniform.

The number of courtesy passes for admittance without payment to any state, district, citrus fruit, or county fair shall not exceed 4 percent of the gross paid admissions to the fair in the preceding calendar year.

Any courtesy pass or courtesy passes issued pursuant to the limitation of this section shall not be transferred to any other person.

Each fair shall maintain complete records of the number of credential and courtesy admissions issued for each fair period.

Each fair shall make an annual report to the Department of Finance, as prescribed by said department, of the total number of credential and courtesy pass admissions issued and honored at each fair.

CHAPTER 320

An act to amend Section 12845 of the Public Utilities Code, relating to municipal utility districts, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12845 of the Public Utilities Code is amended to read:

12845. Any district operating utility works and having a population of not more than 500,000 may accept, without

limitation by any other provisions of this division requiring approval of indebtedness, loans from any person, firm, or corporation for the purpose of financing the construction of office buildings and warehouses for the district, and the acquisition of sites therefor, with appurtenances necessary or convenient thereto. The evidence of the district's indebtedness shall constitute a negotiable instrument.

As used in this section, "construction" includes the meaning of "reconstruction," "repair," "improve," "remodeling," "rehabilitation," and "completion."

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Certain districts are finding it necessary to construct additional buildings for the proper housing of their personnel and facilities in order to render efficient utility service to their consumers. It is necessary that those districts' powers to obtain construction loans in connection therewith in accordance with usual business practices be clarified in order that construction may be completed as soon as possible.

CHAPTER 321

An act to add Section 12648.1 to, and to amend Section 12657 of, the Water Code, relating to flood control, declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 12648.1 is added to the Water Code, to read:

12648.1. The plan of flood control on the American River is hereby authorized and adopted substantially in accordance with the recommendations of the Chief of Engineers, House Document Numbered 367, Eighty-first Congress, and adopted and authorized by the act of Congress approved August 17, 1954, at an estimated state cost of five hundred thousand dollars (\$500,000). Said project shall be considered as extending and supplementing the projects authorized pursuant to Section 12648. Section 12828 shall not be applicable to the project.

American
River
project

SEC. 2. Section 12657 of said code is amended to read:

12657. Except as otherwise provided in Chapters 1 and 2 of this part, the Reclamation Board shall give assurances satisfactory to the Secretary of War that the local cooperation, required by Section 3 of the act of Congress approved December 22, 1944 (Public, Numbered 534, Seventy-eighth Congress,

Assurances
of local
cooperation

Second Session) and Section 2 of the act of Congress approved August 18, 1941 (Public, Numbered 228, Seventy-eighth Congress, First Session), will be furnished by the State in connection with the flood control projects authorized and adopted in Sections 12648, 12648.1, 12650, 12651, 12652, and 12654 and on any flood control projects on any stream flowing into or in the Sacramento Valley or the San Joaquin Valley hereafter approved and authorized by Congress.

Urgency

SEC. 3. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The project authorized pursuant to this act is essential to protect 3,300 acres of land adjacent to the City of Sacramento from recurrent flooding. In 1950-1951 flood damage in this area was estimated by the Corps of Engineers, United States Army, to be three million four hundred thousand dollars (\$3,400,000) and necessitated the evacuation of 4,500 residents from this suburban area of the City of Sacramento. Even greater damage would result if a similar flood should now occur even though a lesser area would be affected. Anticipated federal appropriations for construction of this project in the 1955-56 Fiscal Year render it essential that the State immediately provide for the necessary flood control measures to protect the people of the State from threatened disaster, and it is, therefore, necessary that this act go into immediate effect.

CHAPTER 322

An act to amend Sections 16430 and 16431 of the Education Code, relating to supervision and control of school safety patrols.

In effect
September
7, 1955

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 16430 of the Education Code is amended to read:

16430. The governing board of any school district may, subject to such rules and regulations as shall be adopted by the State Board of Education, establish and maintain a school safety patrol in any of the schools of the district for the purpose of assisting pupils of such school in safely crossing streets and highways adjacent to or near such school.

SEC. 2. Section 16431 of said code is amended to read:

16431. A school safety patrol established in any school as herein provided shall be composed of pupils attending in such school. The members of the patrol shall be under the supervision and control of a qualified employee of the district des-

ignated by the board, except as otherwise provided in this chapter. The provisions of this section shall not, however, be deemed to require the physical presence of such employee at any particular street or highway location where any such school safety patrol is functioning.

CHAPTER 323

An act to amend Sections 3710, 3710.1, 3710.2, 3711, 3712, and 3715 of the Labor Code, relating to workmen's compensation insurance.

[Approved by Governor April 29, 1955 Filed with
Secretary of State April 29, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3710 of the Labor Code is amended to read:

3710. The Director of Industrial Relations shall enforce the provisions of this article. He may employ necessary investigators, clerks, and other employees, and make use of the services of any employee of the department whom he may assign to assist him in the enforcement of this article. Prosecutions for criminal violations of this division may be conducted by the appropriate public official of the county in which the offense is committed, by the Attorney General, or by any attorney in the civil service of the Department of Industrial Relations designated by the director for such purpose. Enforcement

SEC. 2. Section 3710.1 of said code is amended to read:

3710.1. Where an employer has failed to secure the payment of compensation as required by this article, the director or his designated agents may serve on the employer a written notice demanding compliance with the provisions of this article. Service of notice

SEC. 3. Section 3710.2 of said code is amended to read:

3710.2. Failure to secure the payment of compensation under this article is a misdemeanor. Failure to secure the payment of compensation within 10 days after service of the notice provided in Section 3710.1 makes mandatory on the tribunal before whom the charge of violation of this article is tried the imposition of a sentence of imprisonment in the county jail for not less than 10 days and a fine of not less than three hundred dollars (\$300). Proof of continued violation of this section for 30 days makes mandatory on the tribunal before whom the charge of violation of this section is tried the imposition of a fine of not less than three hundred dollars (\$300). An award of the Industrial Accident Commission finding wilful uninsurance is prima facie evidence of the employer's failure to secure the payment of compensation under this article. In any prosecution brought under the provisions of Sections 3710 to 3710.2 the statute of limitations shall not commence to run until the discovery by the director or his Penalty for violation

designated agents of the failure to secure the payment of compensation or the tenth day after service of the notice provided in Section 3710.1, whichever is later.

SEC. 4. Section 3711 of said code is amended to read :

Written
statement

3711. The Director of Industrial Relations or his designated agents may require at any time any employer to furnish a written statement showing the name of his insurer or the manner in which the employer has complied with the provisions of this article. Failure of the employer for a period of 10 days to furnish such written statement is prima facie evidence that he has failed or neglected in respect to the matters so required. In any prosecution under this article, the burden of proof is upon the defendant to show that he has secured the payment of compensation in one of the two ways set forth in this article.

SEC. 5. Section 3712 of said code is amended to read:

Failure
to secure
payment
declared
nuisance

Abatement

Injunction

3712. The securing of the payment of compensation in a way provided in this division is essential to the functioning of the expressly declared social public policy of this State in the matter of worker's compensation; and the conduct or operation of any business or undertaking without full compensation security, in continuing violation of such social policy, is hereby declared to be a nuisance which may be abated upon suit brought in the name of the Director of Industrial Relations before the superior court of any county in which all or some part of such business is being thus unlawfully conducted or operated. In no such proceeding may any filing fee be charged to the plaintiff; nor may any charge or cost be imposed for any act or service required of or done by any state or county officer or employee in connection with such proceeding. No bond shall be required as a prerequisite to the granting of a restraining order. If the court or the judge before whom the order to show cause in such proceeding shall be made returnable, shall find that the defendant is conducting or operating a business or undertaking without the full compensation security required, he shall forthwith, and without continuance, issue an order restraining the future or further conduct and operation of said business or undertaking so long as such violation of social public policy shall continue. Such action may be prosecuted by the Attorney General of California, the district attorney of the county in which suit is brought, the city attorney of any city in which such a business or undertaking is being operated or conducted without full compensation security, or any attorney possessing civil service status who is an employee of the Department of Industrial Relations who may be designated by the director for such purpose. No finding made in the course of any such action shall be binding on the commission in any subsequent proceeding before it for benefits under this division.

SEC. 6. Section 3715 of said code is amended to read :

Aid in
collecting
award

3715. If an employee is granted an award by the Industrial Accident Commission wherein the employer is found through

evidence presented at an open hearing to be wilfully uninsured, and the employee is not represented by an attorney, the employee may request the director or his designated agents to assist in the collection of his award. No state or county agency, officer, or employee shall charge the department for any services rendered the employee in connection with such request, but a fee for services rendered, together with the sum of one hundred dollars (\$100) shall be added to the award made by the Industrial Accident Commission. When the award is collected, the fee for services rendered shall be paid to the proper agency, officer, or employee and the sum of one hundred dollars (\$100) shall be paid into the General Fund in the State Treasury.

CHAPTER 324

An act to amend Sections 5252 and 5254 of the Welfare and Institutions Code, relating to feeble-minded persons and other incompetents not insane.

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5252 of the Welfare and Institutions Code is amended to read:

5252. A petition for the commitment of a feeble-minded person or an epileptic who is not insane to the Department of Institutions for placement in a designated state home for the feeble-minded may be filed in the superior court of the county in which such person resides, by any of the following persons:

(a) The parent, guardian, or other person charged with the support of the epileptic or feeble-minded person.

(b) Any district attorney or probation officer.

(c) The Youth Authority.

(d) Any person designated for that purpose by the judge of the court.

(e) The Director of Corrections.

The petition shall state the petitioner's reasons for supposing the person to be eligible for admission thereto, and shall be verified by the affidavit of the petitioner.

SEC. 2. Section 5254 of the Welfare and Institutions Code is amended to read:

5254. In all cases the court shall require due notice of the hearing of the petition to be given to the alleged incompetent. Whenever a petition is filed by a probation officer, district attorney, the Youth Authority or the Director of Corrections, the court shall require such notice of the hearing of the petition as it deems proper to be given to any parent, guardian, or other person charged with the support of the person mentioned in the petition.

CHAPTER 325

An act to amend Section 2500 of the Elections Code, relating to primary elections, and declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2500 of the Elections Code is amended to read:

2500. This chapter does not apply to:

- (a) Recall elections.
- (b) Special elections to fill vacancies.
- (c) Nomination of officers of cities or counties whose charters provide a system for nominating candidates for such offices.
- (d) Nomination of officers for any district not formed for municipal purposes.
- (e) Nomination of officers for fifth and sixth class cities.
- (f) Nomination of school district officers.

The provisions of this chapter governing the nomination of candidates for county offices shall also apply to the nomination of freeholders to be elected for the purpose of framing a charter under the authority of Article XI, Section 7½ of the Constitution; provided, however, that no candidate's name shall be printed on the ballot to be used at the election of such freeholders unless a declaration of his candidacy is filed not earlier than the day upon which the order calling such election is made and not later than 18 days prior to such election.

Where any person has been elected to the office of freeholder in accordance with the procedure specified herein, and such election has taken place on or after January 1, 1955, such person is hereby declared to be validly elected; all acts of such person are hereby legalized, ratified, confirmed, and declared valid for all intents and purposes.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The provisions of the Elections Code are in conflict with the procedure specified in the Constitution for nominating candidates for boards of freeholders at county charter elections, and, consequently, no certain method for nominating freeholders prevails until the change proposed by this act is effected.

CHAPTER 326

An act to add Article 1.5 to Chapter 2 of Part 1 of Division 2 of the Welfare and Institutions Code, relating to the prevention of delinquency.

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 1.5 is added to Chapter 2 of Part 1 of Division 2 of the Welfare and Institutions Code, to read:

Article 1.5. Prevention of Delinquency

560. In counties having a population in excess of 500,000, the board of supervisors may by ordinance provide for the establishment, support and maintenance of an agency or department to cooperate with and assist in coordinating on a county-wide basis the work of those community agencies engaged in activities designed to prevent juvenile and adult delinquency; and such agency or department may cooperate with any such public or community committees, agencies, or councils at their invitation.

CHAPTER 327

An act to amend Sections 25351 and 25450 of the Government Code, relating to the construction, alteration and repair of buildings and other structures.

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 25351 of the Government Code is amended to read:

25351. The board may construct, lease, build, rebuild, furnish, refurnish, or repair buildings for a hospital; almshouse; courthouse; jail; historical museum; aquarium; art gallery; art institute; exposition building for exhibiting and advertising farming, mining, manufacturing, livestock raising, and other resources of the county; stadium; coliseum; sports arena or sports pavilion or other building for holding sports events, athletic contests, contests of skill, exhibitions, spectacles and other public meetings, and such other public buildings as are necessary to carry out the work of the county government.

SEC. 2. Section 25450 of the Government Code is amended to read:

25450. Whenever the estimated cost of construction of any wharf, chute, or other shipping facility, or of any hospital, almshouse, courthouse, jail, historical museum, aquarium,

county free library building, branch library building, art gallery, art institute, exposition building, stadium, coliseum, sports arena or sports pavilion or other building for holding sports events, athletic contests, contests of skill, exhibitions, spectacles and other public meetings, or other public building or the cost of any repairs thereto or furnishing thereof, exceeds the sum of two thousand dollars (\$2,000), exclusive of the estimated cost of materials or supplies to be furnished pursuant to Section 25457, the work shall be done by contract. Any such contract not let pursuant to this article is void.

CHAPTER 328

An act adding Section 86.5 to the Agricultural Code, relating to the Sixth District Agricultural Association.

In effect
September
7, 1955

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 86.5 is added to the Agricultural Code, to read:

86.5. In addition to any other power granted by this article, the Sixth District Agricultural Association, with the approval of the Department of Finance, may build, construct, and maintain and operate a sports stadium or stadia, a sports arena or sports pavilion or other building for holding sports events, athletic contests, contests of skill, exhibitions, spectacles and other public meetings, and may lease, let, or grant licenses for their use.

CHAPTER 329

An act to repeal Article 2 of Chapter 5, Division 7, Title 1 of the Government Code and to add Article 2 comprised of Sections 6540 to 6578, inclusive, to said Chapter 5, Division 7, Title 1 of said code, relating to the purposes, issuance, sale and payment of revenue bonds by an agency, commission or board created or provided for under Article 1 of said Chapter 5, the revenues derived from the project constructed from the bond proceeds, and authorizing the use of other revenues of the agency, commission or board for the payment of such revenue bonds.

In effect
September
7, 1955

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

Repeal

SECTION 1. Article 2 of Chapter 5, Division 7, Title 1, of the Government Code is repealed.

SEC. 2. Article 2 of Chapter 5, Division 7, Title 1, is added to the said code, to read:

Article 2. Power to Issue Revenue Bonds

6540 As used in this article "bonds" means revenue bonds, ^{"Bonds"} notes or other evidences of indebtedness.

6541. "Bondholder" or "holder of bonds" or any similar ^{"Bond holder" or "holder of bonds"} term, as used in this article, shall mean any person who shall be the bearer of any outstanding revenue bond or the owner of bonds which shall at the time be registered to other than to bearer.

6542. "Entity" as used in this article means any agency, ^{"Entity"} board or commission provided for by a joint powers agreement pursuant to Article 1 of this chapter. Such agency, board or commission is an entity separate from the public agencies which are parties to such agreement.

6543. "Governing body" as used in this article means the ^{"Governing body"} board or commission provided for by a joint powers agreement, pursuant to Article 1 of this chapter.

6544. "Indenture" as used in this article means the in- ^{"Indenture"} strument providing the terms and conditions for the issuance of the revenue bonds, and may be a resolution, order, agreement or other instrument.

6545. "Project" as used in this article means the building ^{"Project"} or other structure or structures or improvements and all facilities appurtenant thereto or provided therefor to be financed by revenue bonds issued pursuant to this article.

6546. In addition to other powers, any agency, commission ^{Power to issue revenue bonds} or board provided for by a joint powers agreement pursuant to Article 1, if such entity has the power to acquire, construct, maintain or operate:

(a) An exhibition building or other place for holding fairs or exhibitions for the display of agricultural, livestock, industrial, or other products;

(b) A coliseum, a stadium, a sports arena or sports pavilion or other building for holding sports events, athletic contests, contests of skill, exhibitions, spectacles and other public meetings;

(c) Parking facilities in connection with such projects; may issue revenue bonds pursuant to this article to pay the cost and expenses of acquiring or constructing a structure or structures or facility or facilities which may include any or all of said purposes.

6547. The power of the entity to issue revenue bonds is ^{Same} additional to the powers common to the parties to the joint powers agreement, but shall not be exercised until authorized by the parties to that agreement.

6548. The revenue bonds may be issued to provide funds ^{Purposes of issuance} for the acquisition, construction and financing of said project, including any or all expenses incidental thereto or connected therewith, and such expenses may include engineering, inspection, legal and fiscal agents' fees, costs of the issuance and sale of said bonds, working capital, reserve fund, and bond interest estimated to accrue during the construction period

and for a period of not to exceed 12 months after completion of construction. The proceeds of the bonds shall be used only for the project provided for in the indenture pursuant to which such revenue bonds are issued.

Terms of
indenture

6549. An indenture providing the terms and conditions for the issuance of the bonds and the covenants relating thereto shall be adopted in or approved by resolution. Such indenture shall describe or state the revenues and funds from which the bonds shall be payable. Such funds or revenues shall include the revenues derived from the operation of the project or projects for which the bond proceeds are used or expended and any other revenues derived therefrom, and may also include revenue of the entity derived from any other building or buildings, coliseum, stadium, facilities or other sources and any or all extensions or renewals thereof.

Payment of
principal
and interest

6550. The principal and interest of the bonds shall be payable:

(a) First, out of the revenue derived from the operation of the project or projects for which the bond proceeds were or are to be used or expended, or any other revenues derived from said project;

(b) Second, from such other revenues or funds of the entity as are described or stated as security for the bonds in the indenture in accordance with Section 6549 hereof

Revenue
bonds no
debt, etc

6551. Revenue bonds issued under this article shall not constitute a debt, liability or obligation of any of the public agencies who are parties to the agreement creating such entity.

Recital
of bond

6552. All bonds issued by the entity shall contain a recital on their face that neither the payment of the principal or any part thereof nor any interest thereon constitutes a debt, liability or obligation of any of the public agencies who are parties to the agreement creating such entity.

Recitals of
indenture

6553. The indenture authorizing the issuance of such bonds shall recite the objects and purposes for which the bonds are to be issued, which may include any or all of the purposes stated in this article and which shall comprise the project, the principal amount of the bonds, the maximum rate of interest to be payable thereon which shall not exceed six percent (6%) per annum, payable annually for the first year and semiannually thereafter, the date or dates of issue of said bonds, the maturity date or dates thereof, and the fund or funds from which said bonds and the interest thereon and premiums upon the redemption of any thereof are to be payable, and such other provisions authorized by this article as the governing body of the entity deems necessary or desirable. Said bonds shall be issued in negotiable form and shall be negotiable. The recitals of regularity of proceedings in any revenue bond issued and sold under this article shall be conclusive evidence of compliance with the provisions of this article and of the validity of such bond.

Same

6554. The indenture authorizing the issuance of such bonds shall provide the denomination or denominations of the

bonds, the medium of payment of principal thereof and interest thereon, the place or places of payment of said bonds and interest, which may be within or without the State of California, the form of said bonds (including recitals of regularity of the proceedings for the issuance thereof) and of interest coupons appertaining thereto, the form, denominations and conditions of any temporary bonds or interim certificates, and the manual and facsimile signatures to be attached to the bonds or certificates (one signature upon which must be manual) and the manual or facsimile signature to be affixed to the interest coupons.

6555. In the indenture authorizing the issuance of said bonds the governing body may also fix additional terms and conditions and may in any article, section or clause thereof make such provision or covenant as it may deem necessary or desirable to facilitate the issuance and sale of the bonds or for the protection or security of the holders thereof, including, without affecting the generality of the foregoing, provision for any or all of the matters stated in Sections 6556 to 6568 of this article.

Additional
terms, etc

6556. Said indenture may provide the terms and conditions under which said bonds may be paid, redeemed before maturity (including the premiums, if any, to be payable upon bonds redeemed prior to maturity), exchanged, registered, transferred, and negotiated. No bond shall be redeemable prior to maturity unless a statement substantially to that effect is contained in the bond.

Redemption

6557. Said indenture may include covenants or other provisions relating to the bonds issued thereunder requiring the entity to fix, prescribe and collect rates, tolls, fees, rentals or other charges in connection with the services and facilities furnished from the project acquired or constructed from the proceeds of bonds, and it may require such rates, tolls, fees, rentals or other charges to be sufficient to pay principal of and interest on the bonds as they become due, together with all expenses of operation, maintenance and repair of the project and such additional sums as may be required for any sinking fund, reserve fund or other special fund provided for the further security of such bonds, or as a depreciation charge or other charge in connection with such project; provided, however, that all rates, tolls, fees, rentals or other charges in connection with the services and facilities furnished by the project shall be subject to such provisions, if any, relative thereto as may be contained in the contract or agreement between the public agencies creating such entity.

Indenture
provisions
Rates,
charges, etc

6558. The indenture may include covenants or other provisions relating to the collection, deposit and safekeeping of the revenues, the permissible uses thereof, the special fund or funds to be kept for the payment of principal and interest of the bonds, including reserve, sinking, bond service, redemption and trust funds, and any bond payable from the revenue fund may be paid from any such special fund set up therefor; the

Collection,
etc., of
revenues
Special fund

Investments Records, audits, etc	permissible investments for moneys in said funds, or any thereof, the accounts and records to be kept, audits thereof and examination thereof by bondholders and others, and reports to be made by the entity.
Insurance	6559. The indenture may include a covenant or other provision relating to the insurance upon such project, or any part thereof, against any or all risks, and in case of loss the application of the insurance proceeds.
Sale, etc., limitations	6560. The indenture may include a covenant or other provision containing prohibitions against or limitations upon the sale, lease or other disposition of such project or any part thereof.
Limiting issuance of additional bonds	6561. The indenture may contain covenants or other provisions providing for prohibitions against or limitations upon the issuance of any additional bonds payable from the revenues of the project.
Modification or change	6562. The indenture may contain covenants or other provisions whereby the consent or agreement of a stated percentage or number of the holders of the bonds may bind all bondholders to modifications of or changes in all or part of the provisions of the indenture authorizing or providing for the issuance of such bonds, and the provisions subject to modification or change shall be specified or stated in such indenture.
Issuance of duplicate bond, etc	6563. The indenture may provide for the issuance of a duplicate in the manner and upon such terms and conditions as the governing body of the entity may determine, in the event any bond, temporary bond, coupon or interim certificate of any issue is lost, destroyed or mutilated.
Impairment of rights	6564. The indenture may include a covenant or provision against the entering into of any agreement which impairs the operation of the project or any part of it necessary to secure adequate revenues to pay the principal and interest of the bonds, or which otherwise would impair the rights of the bondholders with respect to the revenues or the operation of the project.
Default, waiver, etc.	6565. The indenture may provide for events of default and the terms upon which the bonds may be declared due before maturity and the terms upon which that declaration and its consequences may be waived.
Breach by entity	6566. The indenture may provide for the rights, liabilities, powers and duties arising upon the entity's breach of any covenants, conditions or obligations of the indenture.
Fiscal agent	6567. The indenture may provide for a fiscal agent and the deposit of funds therewith.
Additional provisions	6568. The indenture may contain any other provision or covenant valid under the Constitutions of the State of California and the United States of America which the governing body of the entity deems necessary or desirable to facilitate the issuance and sale of the bonds or for the protection or security of holders thereof.

6569. The indenture authorizing the issuance of said bonds and all resolutions or orders in the proceeding for the issuance of said bonds shall constitute a contract with the holders of the bonds, and such contract may be enforced by any holder by mandamus, injunction or any applicable legal action, suit, proceeding or other remedy. Contract

6570. Any bonds issued under this act shall be payable within not more than forty (40) years from the date of issue thereof. No bond may be made payable at a time later than the end of the term of the agency, board or commission as provided in the joint powers agreement in effect at the time the bonds are issued. When bonds payable

6571. The bonds shall be issued and sold as the governing body may determine, and for not less than par and accrued interest to date of delivery. The proceeds from the sale (except premium and accrued interest, which shall be paid into the bond service or other fund designated or established for the payment of the principal and interest of the bonds) shall be paid into the construction fund designated by the indenture authorizing the issuance of the bonds and shall be applied exclusively to the objects and purposes set forth in such indenture, including all expenses incidental thereto or in connection therewith, and also including the payment of interest on said bonds during the period of construction of the project and for a period not to exceed twelve (12) months after completion of such construction. Proceeds

6572. The bonds shall be secured by a pledge of and lien upon the revenues of the project described in the indenture authorizing the issuance of the bonds, and such revenues may be used only as provided in said indenture. The revenues of the project include revenues from improvements to or additions to or extensions thereof later constructed or made. The bonds shall also be secured by additional revenues, if any, of the entity from other sources, to the extent set forth in the indenture. Use of revenues

6573. So long as any bonds or interest coupons thereof are outstanding and unpaid, the revenues and interest thereon shall not be used for any purpose not authorized by the indenture, unless the authority to make such use of revenues shall be authorized by the bondholders pursuant to the provisions of the indenture, and during such period the joint powers agreement shall be irrevocable and may not be amended or modified in any manner to the detriment of the bondholders. Any bond for the payment and discharge of which, upon maturity or upon redemption prior to maturity, provision has been made through the setting apart in a reserve fund or special trust account created pursuant to this article to insure the payment thereof, of moneys sufficient for that purpose or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account of moneys sufficient therefor, shall be deemed to be no longer outstanding and unpaid within the meaning of any provision of this article. Bonds and coupons outstanding and unpaid

Powers
and duties
of entity

6574. The entity shall operate, maintain and preserve the project in good repair and working order, and shall operate the project in an efficient and economical manner; provided, however, that the entity may lease or rent concessions, or lease or rent the project or any part thereof, or otherwise provide for the operation of the project or any part thereof.

Tax
exemption

6575. All bonds and the interest thereon or income therefrom are exempt from all taxation in this State other than gift, inheritance and estate taxes.

Refunding
bonds

6576. The entity may provide for the issuance, sale or exchange of refunding bonds for the purpose of redeeming or retiring any revenue bonds issued by the entity. All provisions of this article applicable to the issuance of revenue bonds are applicable to the funding or refunding bonds and to the issuance, sale or exchange thereof.

Same

6577. Funding or refunding bonds may be issued in a principal amount sufficient to provide funds for the payment (including premium) of all bonds to be funded or refunded thereby, and interest thereon, and in addition for the payment of all expenses incident to the calling, retiring or paying of such outstanding bonds, and the issuance of such funding or refunding bonds.

Liberal
construction

6578. This article shall be liberally construed to effectuate its purposes.

CHAPTER 330

An act to amend Section 818 of, and to add Section 818.2 to, the Agricultural Code, relating to standards for potatoes, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor April 29, 1955. Filed with
Secretary of State April 29, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 818 of the Agricultural Code is amended to read:

Potatoes

818. Potatoes shall be free from mold, decay, soft and wet rots, and black heart; and free from serious damage due to hollow heart, insect injury, freezing, sun scald, dry rots, scab, growth cracks, sunburn, greening, second growth, cuts, bruises, grass roots, nematodes, net necrosis or other internal discoloration, or other causes.

Damage to any one potato is not serious when it is caused by:

(a) Hollow heart unless the cracks or cavities, singly or in combination, are greater in length or width than one-third of the diameter of the tuber measured at the widest portion of cross section, at a right angle to a straight line drawn from the stem end to the distal end thereof.

(b) Greening unless the affected portion has at least a greenish tinge of color and causes a waste of 10 percent, by weight, of the individual potato. Light tan or cream colored flesh shall not be considered as damage.

(c) Cuts unless, (1) in the case of long varieties, both ends of the potato have been removed, or (2) more than one-fourth of any portion of the potato has been removed as indicated by the contour of the remaining portion of the potato, or (3) in the case of long varieties one end is removed and the remaining portion of the potato weighs less than six ounces, or (4) in the case of long varieties the cuts are on the sides and the total length of any one such cut is more than one-half the length of the potato. "Cuts" means that a portion of the potato has been removed by cutting, breaking or mechanical injury or any other cause.

(d) Net necrosis or other internal discoloration unless the affected portion has dark brown or black areas in the flesh and causes a waste of 10 percent, by weight, of the individual potato.

(e) Insect injury, freezing, sun scald, dry rots, scab, growth cracks, sunburn, second growth, bruises, grass roots, nematodes, or other causes unless such defects cause a waste of 10 percent, by weight, of the individual potato.

Not more than 5 percent, by weight, of the potatoes in any one container or bulk lot may contain internal defects, including those caused by hollow heart, net necrosis, or any other type of necrosis, stem-end browning, internal brown spots, or other similar types of discoloration not visible externally, but excluding black heart. Not more than 6 percent, by weight, of the potatoes in any one container or bulk lot may be below the other requirements of this section (including freedom from black heart), but not to exceed one-sixth of this tolerance shall be allowed for soft or wet rots. These tolerances are on a container basis. However, with respect to the 6 percent tolerance and the 5 percent tolerance, separately, individual containers in any lot may contain not more than double the tolerance specified, except that in case of potatoes affected by soft rot or wet breakdown not more than one-tenth of the containers may contain not more than four times the tolerance specified, and except that at least one defective specimen shall be permitted in a container; provided, that the averages for the entire lot, based on sample inspection, are within the tolerances specified.

Containers of potatoes shall not bear any marking, brand or designation of quality such as "extra selected," "selected," "select," "extra fancy," "fancy," "choice," "No. 1," or other similar superlative designations which imply a reasonably high quality, unless the contents of the container conform at least to the requirements of the U. S. No. 1 grade established for potatoes by the United States Department of Agriculture.

Markings
restricted

SEC. 2. Section 818.2 is added to said code, to read:

818.2. (a) A "California Standard" grade of potatoes is hereby established. Containers of potatoes may not be so labeled unless the potatoes contained therein meet the requirements of this section. Such potatoes shall meet the requirements for U. S. No. 1 grade established for potatoes by the United States Department of Agriculture, except that they

"California
Standard"
grade

need only be free from serious damage by dirt, as defined in the U. S. grades for potatoes, but the tolerances for defects specified in subdivisions (c) and (d) shall be allowed.

Diameter

(b) The diameter of each potato shall be not less than $1\frac{1}{8}$ inches.

The potatoes need not conform to the $1\frac{1}{8}$ inches diameter requirement if each container is clearly and conspicuously marked near the term "California Standard," or other terms for such grade permitted by this section, with one of the size classifications or methods of indicating size designated in the U. S. grades for potatoes and the potatoes in the containers shall conform with such size as marked.

Containers of potatoes not marked as to size and required to be $1\frac{1}{8}$ inches in diameter and those marked with one of the size classifications or methods of indicating size designated in the U. S. grades for potatoes shall be subject to the tolerances as to size as set forth in the U. S. grades for potatoes.

Tolerances

(c) Except as to tolerances for size and sprouting 15 percent of such potatoes in any lot may be below the requirements specified in this section, but not more than 5 percent may be seriously damaged by hollow heart and internal discoloration as defined in the U. S. grades for "serious damage" due to these two causes. Not more than 6 percent may fail to meet the remaining requirements of the U. S. No. 2 grade, but not more than one-half of this amount (3 percent) may be affected by southern bacterial wilt, ring rot, or late blight, including not more than 1 percent for frost, soft rot, or wet breakdown.

The tolerances for the standards are on a container basis; however, individual packages in any lot may vary from the specified tolerances in the amounts indicated in the U. S. standards for potatoes relating to lot tolerances; provided, the averages for the entire lot, based on sample inspection, are within the tolerances specified herein.

(d) In addition, not more than 10 percent of such potatoes may have sprouts over three-fourths of an inch long so long as the potatoes are free from serious damage by shriveling as defined in the U. S. grades for potatoes, except that if the 15 percent tolerance specified in subdivision (c) is not used entirely for other defects, the unused portion of the tolerance may be used for potatoes having sprouts over three-fourths of an inch long but which are not damaged seriously by shriveling.

"California Standard" potatoes may also be labeled or designated as "Standard" or "Calif. Standard" and if so labeled must meet the requirements of this section.

Urgency

SEC. 3. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to insure the proper quality of potatoes and protect the health of the citizens of this State during the 1955 season this act must take effect immediately.

CHAPTER 331

An act to add Section 28007 to the Government Code, relating to officers and employees of counties, declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 29, 1955 Filed with
Secretary of State April 29, 1955]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 28007 is added to the Government Code, to read:

28007. Notwithstanding any provision of law to the contrary, no officer or employee of a county shall be liable for any acts done by him, prior to June 2, 1955, in connection with having paid the monthly salary of an employee of such county if such employee has performed, during the month for which he is paid, the duties required for the position for which he is paid.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Because of technical deficiencies in processing county personnel, a question has arisen regarding the validity of the payment of the salary of several hundreds of county employees. In order that such employees may be retained in service pending corrective processing, thereby avoiding a disastrous disruption of essential county services and in order that such employees may be paid during such processing it is necessary that this act take effect immediately.

CHAPTER 332

An act to repeal an act entitled "An act for the certification of land titles and the simplification of the transfer of real estate," approved March 17, 1897, relating to the registration of land titles, deeds, and instruments affecting land titles, and all acts amending same; thereby repealing all provisions of law relating to the registration of land titles, deeds, and instruments affecting land titles, and making provision as to titles to land registered thereunder; declaring the urgency of this act, to take effect immediately.

[Approved by Governor April 29, 1955 Filed with
Secretary of State April 30, 1955]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. An act entitled "An act for the certification of land titles and the simplification of the transfer of real estate", approved March 17, 1897, as amended, including an act Repeal

to amend said act of March 17, 1897, approved by the electors November 3, 1914 (Statutes of 1915, page 1932), (herein collectively referred to as "said act"), is hereby repealed.

Registers of
titles, etc.

SEC. 2. Upon the effective date hereof, all registers of titles, all files and documents supporting same, and all indices and other books and records maintained under the provisions of said act shall become a part of the records of the office of the county recorder of the county in which the office of the registrar of titles has been maintained, for all purposes as fully (except as hereinafter provided) as though they had from their inception formed an integral part of the records of the office of such county recorder.

Registered
instruments,
etc.

SEC. 3. After the effective date hereof, all instruments, documents, and papers affecting title to land which had been registered under the provisions of said act (other than all instruments, documents, and papers registered by the registrar of titles prior to the effective date hereof), shall be filed or recorded in the office of the county recorder of the county in which such land is situated in the same manner and with the same effect as though title to said land had never been registered.

Effect of
titles, etc

SEC. 4. Nothing herein contained shall in any manner affect any determination made in connection with the original registration of title to any land or made in connection with the issuance of any certificate of title by the registrar of titles subsequent to the original registration. All instruments, documents, and papers registered by the registrar of titles and every entry and endorsement of any memorials upon any such certificate of title shall be considered to form part of the record chain of title to such land and afford constructive notice of their contents to the same extent as though they appeared of record in the office of the county recorder; provided, however, that no such instrument, document, paper, entry or endorsement shall have any greater or other effect after the effective date hereof, as constructive notice or otherwise, than it had or acquired at the time it was registered or made; and provided, further, that nothing herein contained shall be construed as giving any greater or other effect, as constructive notice or otherwise, to any instrument, document or paper recorded in the office of the recorder of any county prior to the effective date hereof, as to any lands the title to which had been registered than was provided by the laws of this State (including said act) in effect at the time such instrument, document or paper was recorded. (Illustration: A recorded abstract of judgment is not a lien on registered land unless registered; and such abstract of judgment, recorded but not registered prior to the effective date hereof, will, under this section, not constitute a lien on registered land after said effective date until recorded anew.)

Retention
of rights

SEC. 5. Nothing herein contained shall terminate, diminish or impair any existing right in or pertaining to land, title to which had been registered under said act, or any existing

right to resort to any fund created thereunder, but any such right may be asserted and enforced in the same manner, to the same extent, and subject to the same limitations provided in said act.

SEC. 6. This repeal of said act is made under authority of law, including the act to amend said act by adding thereto Section 116, adopted by the First Extraordinary Session of 1954, Chapter 58, and approved by the electors on November 2, 1954. Authority

SEC. 7. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

To save the taxpayers of this State hundreds of thousands of dollars by making the repeal of said act effective on or before July 1, 1955, at which time budget and personnel requirements are fixed by the various county offices for the fiscal year. The Land Title Law provides for a system of registration of land titles which has proved to be unsatisfactory, cumbersome and a costly expense to the general taxpayer. The "Assurance Fund" established by the act has been insolvent for years and serves only as a trap to the unwary. The matter of land titles is of extreme importance to the people of this State and particularly when the State is experiencing a great influx of population, the security in dealing with title to land is of paramount concern. The existence of a dual system of evidencing title to land is confusing and the Land Title Law needs to be correlated into the the recording system to insure efficient and economical operation of our recording laws.

CHAPTER 333

An act to add Chapter 5, comprising Sections 5400 to 5404, inclusive, to Division 6, Title 1, of the Government Code, and to repeal Article 1, comprising Sections 50600, 50601 and 50602, of Chapter 3, Part 1, Division 1, Title 5 of said code, relating to the levy of taxes and assessments to pay principal and interest of bonds of public bodies authorized but unsold.

[Approved by Governor May 2, 1955. Filed with
Secretary of State May 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Chapter 5, comprising Sections 5400 to 5404, inclusive, is added to Division 6, Title 1, of the Government Code, to read:

CHAPTER 5. TAX OR ASSESSMENT LEVY FOR UNSOLD BONDS

5400. "Public body" as used in this chapter means any county, city and county, city, public district, public authority or other public corporation which is authorized to issue bonds. "Public
body"

"Bonds" 5401. "Bonds" as used in this chapter means any bonds or other evidences of indebtedness the principal and interest of which are payable or may be paid from ad valorem taxes or assessments levied by or on behalf of a public body.

"Governing body" 5402. "Governing body" as used in this chapter means the board of supervisors, city council, board of directors or other legislative or governing body which has the power to fix the annual tax or assessment levy for a public body.

Power to levy tax or assessment 5403. When bonds to be issued by or on behalf of a public body have been authorized by an election or other method provided by law, and where it is expected that all or any part of such bonds will be sold at such time that principal or interest on such bonds will become due before the proceeds of a tax or assessment levied after such sale would be available to pay such principal or interest, the governing body, at the time of fixing the annual tax or assessment levy, may levy a tax or assessment, as the case may be, in an amount clearly sufficient to pay that portion of the principal of and interest on said bonds which it is expected will become due before the proceeds of the next succeeding tax or assessment levy will be available.

Transfer to general fund 5404. If at any time following the levy of the tax or assessment authorized by Section 5403, the board, council or other body having the power to sell the bonds shall determine that the bonds are not to be issued and sold, the proceeds of the tax or assessment so levied to pay such principal or interest may be transferred to the general fund of the public body.

Repeals SEC. 2. Article 1, comprising Sections 50600, 50601, and 50602, of Chapter 3, Part 1, Division 1, Title 5 of the Government Code is repealed.

CHAPTER 334

An act to amend Section 43605 of the Government Code, relating to the incurring of bonded indebtedness of cities.

In effect
September
7, 1955

[Approved by Governor May 2, 1955. Filed with
Secretary of State May 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 43605 of the Government Code is amended to read:

43605. A city shall not incur an indebtedness for public improvements which exceeds in the aggregate 15 percent of the assessed value of all real and personal property of the city. Within the meaning of this section "indebtedness" means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the city.

CHAPTER 335

An act to amend Section 1593 of the Education Code, relating to changes in status of school districts, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 2, 1955. Filed with
Secretary of State May 2, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 1593 of the Education Code is amended to read:

1593. In the case of every other action referred to in this article, the action shall be effective as to any district in any way affected by the action on the date the action is completed for the following purposes:

(a) The determination of the assessed valuation of any district or districts affected by the action.

(b) The appointment or election of members of the governing boards of the school districts affected.

(c) The preparation and submission of school district budgets.

(d) The election or appointment of employees for the ensuing school year.

(e) The calling and conducting of elections for and the issuance and sale of school district bonds, as to any district in any way affected by the action whether it be a newly formed district or one which territory has been added to or taken from by the action and including the calling and conducting of such elections only in that portion of the district remaining after territory has been excluded therefrom in any manner by such action.

(f) The exercise by the governing boards of the school districts affected of other powers and duties vested in governing boards of school districts of the same type or class and not inconsistent with other provisions of this code.

(g) The holding of an election to determine whether a newly formed elementary school district, or a district comprised within a newly formed union or joint union elementary school district shall become a part of a high school district.

(h) The calling and conducting of elections to increase the maximum rates of tax for district or districts affected.

(i) The calling and conducting of elections for the assumption of bonded indebtedness.

(j) The unionization or uniting of the district with one or more other school districts, or its annexation to another school district.

(k) The calling and conducting of elections for the acceptance and repayment of any allocation of state funds under any state school building aid law, as to any district in any way affected by the action, whether it be a newly formed district or one which territory has been added to or taken from by the action.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Subsection (e) of Section 1593 of the Education Code has been interpreted as applicable only to new districts or districts to which territory has been added and not to territory withdrawn from the district. Such interpretation has led to doubt and uncertainty as to the liability of territory for bonded indebtedness where the bonds have been issued subsequent to the completion of the action but prior to the otherwise effective date under Section 1591 of the Education Code. There is an imperative need for adequate provision of school buildings and facilities for the ever-growing school population throughout the State. The uncertainty as to the effective date of changes in status of school territory is seriously hampering the proper adjustment of school boundaries and provision for adequate school facilities. Since elections for the acceptance and repayment of funds allocated to districts under the State School Building Aid Law is often an integral part of a school financing plan and connected with the calling and conducting of elections for the issuance and sale of school district bonds, it is imperative that the same rules apply to this type of proceedings as apply to bond elections. Therefore, it is necessary that this act take effect immediately.

CHAPTER 336

An act to add Section 2765 to the Business and Professions Code, relating to nurses convicted of a felony or an offense involving moral turpitude.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2765 is added to the Business and Professions Code, to read:

2765. A plea or verdict of guilty or a conviction following a plea of nolo contendere made to a charge of a felony or of any offense involving moral turpitude is deemed to be a conviction within the meaning of this article. The board may order the license suspended or revoked, or may decline to issue a license, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment.

CHAPTER 337

An act to amend Section 28129 of the Government Code, relating to compensation for public service in counties of the twenty-ninth class.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28129 of the Government Code is amended to read:

28129. In a county of the twenty-ninth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

Kings
County
Salaries

(a) The auditor five thousand one hundred dollars (\$5,100) a year.

(b) The district attorney, nine thousand dollars (\$9,000) a year. The district attorney shall devote his entire time during office hours to the work of the county and State and is prohibited from engaging in private work within such office hours; however, this shall not be construed to preclude the district attorney from continuing or concluding any matter in which he has appeared of record prior to October 1, 1949.

(c) Each supervisor, three thousand six hundred dollars (\$3,600) a year in full for all services performed by him as supervisor, member of the board of equalization, and in any other capacity, and all actual and necessary traveling expenses when traveling on county business. The traveling expenses, exclusive of meals and hotel accommodations, shall not exceed seven cents (\$0.07) per mile.

(d) Trial jurors in the superior court, for each day's attendance, six dollars (\$6). In justice courts, the jurors sworn to try the case shall receive for each day's attendance three dollars (\$3). Each trial juror shall receive mileage at the rate of seven cents (\$0.07) each way for each mile actually traveled in attending court, except that in justice courts mileage shall be allowed only to those jurors sworn to try the case.

(e) Grand jurors, for each day's attendance at regular sessions of the grand jury or of any regularly constituted committee or subcommittee thereof, or when appointed in writing by the foreman of the grand jury to make individual investigations, six dollars (\$6). A juror excused at his own request is not entitled to a per diem fee. Each juror driving his own automobile upon jury business, or in attendance upon meetings of the jury or committees thereof, shall receive mileage at the rate of seven cents (\$0.07) each way for every mile actually and necessarily traveled. Said claims for per diem, for mileage and any incidental expenses incurred by jurors pursuant to the exercise of their official duties (excluding meal expense) shall be paid out of the general fund of the county by the county treasurer upon warrants drawn by the county

auditor upon the written order of the judge of the superior court.

The compensation provided by this section shall be payable to incumbent officers.

CHAPTER 338

An act to amend Section 28138 of the Government Code, relating to compensation for public services in counties of the thirty-eighth class.

In effect
September
7, 1955

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 28138 of the Government Code is amended to read:

Yuba
County.
Salaries

28138. In a county of the thirty-eighth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, two thousand eight hundred seventy dollars (\$2,870) a year.

(b) The district attorney, six thousand six hundred dollars (\$6,600) a year. If the office of district attorney is consolidated with that of public administrator, the holder of the consolidated office shall receive a salary of six thousand six hundred dollars (\$6,600) a year, and all fees received by the holder of the consolidated office in performing the duties of public administrator shall be paid into the county treasury.

(c) Each supervisor, three thousand dollars (\$3,000) a year.

(d) Grand jurors and trial jurors in the superior court shall receive four dollars (\$4) for each day's attendance, and mileage at the rate of fifteen cents (\$0.15) for each mile actually and necessarily traveled from their residences to the county seat, in going only for each and every day a juror is required by law to attend upon the particular duty assigned to him. Fees and mileage shall be paid by the treasurer of the county out of the general fund of the county upon warrants drawn by the county auditor upon the written order of the judge of the superior court.

CHAPTER 339

An act to amend Sections 12216, 12218 and 12303 of, and to add Section 12225 to, the Financial Code, relating to check sellers and cashers.

In effect
September
7, 1955

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12216 of the Financial Code is amended to read:

Commis-
sioner's
Investigation

12216. Upon the filing of the application and the payment of the fees and the approval of the bond, the commissioner

shall investigate the facts and if he finds that the financial responsibility, experience, character, and general fitness of the applicant and of the members thereof if the applicant is a partnership or association, and of the officers and directors thereof if the applicant is a corporation, are such as to command the confidence of the community and to warrant belief that the business will be operated honestly, fairly, and equitably within the purposes of this division, he shall issue and deliver a license to the applicant to engage in business in accordance with the provisions of this division.

SEC. 2. Section 12218 of said code is amended to read:

12218. The license shall be kept conspicuously posted in Posting the principal place of business of the licensee.

SEC. 3. Section 12303 of said code is amended to read:

12303. Every licensee shall keep and use in his business Books and records books, accounts and records in accordance with good accounting practice and which will enable the commissioner to determine whether such licensee has violated the provisions of this division or the rules and regulations made by the commissioner. Every licensee shall preserve such books, accounts and records for at least four years after making the final entry on each transaction recorded therein. Such books, accounts and records shall be kept current, shall be maintained at the main office of the licensee and shall be available for inspection by the commissioner on demand during regular business hours.

Nothing in this section shall be construed to require any licensee to keep an individual record of each individual fee charged in each transaction but the licensee shall be required to keep a record of the total charges made for any accounting period.

SEC. 4. Section 12225 is added to said code, to read:

12225. The commissioner may issue a duplicate of a license Duplicate license that has been lost, stolen, or destroyed, or for a certificate which the licensee desires to replace, upon satisfactory proof of such loss, theft, or destruction, or upon surrender of a certificate for replacement and the payment of a fee of two dollars (\$2).

CHAPTER 340

An act to amend Section 10204 of the Government Code, relating to the salary of the Legislative Counsel.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 10204 of the Government Code is amended to read:

10204. The annual salary of the Legislative Counsel is seventeen thousand dollars (\$17,000). The Legislative Counsel shall be repaid all actual expenses incurred or paid by him in the discharge of his duties.

CHAPTER 341

An act to amend Sections 7310, 7311, 7372 and 7394.1 of the Business and Professions Code, relating to the practice of cosmetology.

In effect
September
7, 1955

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7310 of the Business and Professions Code is amended to read:

Rules

7310. The board may, in accordance with the provisions of the Administrative Procedure Act, adopt, amend, or repeal such rules as are reasonably necessary:

(a) For carrying out the provisions of this chapter.

(b) For conducting examinations of applicants for registration and license.

(c) For governing the recognition of, and the credits to be given to, the study of cosmetology, or any of its branches, under a hairdresser and cosmetician or cosmetologist, or in a school of cosmetology, licensed under the laws of another state

SEC. 2. Section 7311 of said code is amended to read:

Sanitary
conditions

7311. The board may adopt such rules governing sanitary conditions, and precautions to be employed as are reasonably necessary to prevent the creating or spreading of infectious or contagious diseases in cosmetological establishments, schools of cosmetology, in the practice of a hairdresser, cosmetician or cosmetologist, and in any branch of cosmetology. Such rules shall be adopted in accordance with the provisions of the Administrative Procedure Act, and shall be submitted to the Department of Public Health, and approved by such Department prior to transmission to the Department of Professional and Vocational Standards for filing with the Secretary of State. A copy of all such rules shall be furnished to each licensee.

SEC 3 Section 7372 of said code is amended to read:

Examinations
for cosmetol-
ogists, etc

7372 Examinations for certificates of registration and license as hairdressers and cosmeticians or cosmetologists shall include practical demonstrations in shampooing the hair, haircutting, hairdressing, permanent waving, wet hairdressing, water waving, hair coloring, manicuring and facial and scalp massage with the hands. They shall also include written and oral tests in antisepsis, sterilization, sanitation and the use of mechanical apparatus and electricity as applicable to the practice of the occupations of a hairdresser and cosmetician or cosmetologist. They may include such other demonstrations and tests as the board, in its discretion, may require.

The scope of examinations in any other branch of cosmetology shall be such as the board, by regulation, in its discretion, may require.

SEC. 4. Section 7394.1 of said code is amended to read:

7394.1. An electrology course established by a school of cosmetology shall consist of 500 hours of practical training and technical instruction which shall extend over a period of not less than four months. In no event shall the training extend over a period of more than 12 months from the date of initial enrollment. Electrology
course

The course shall be in accordance with a curriculum established by board regulation.

CHAPTER 342

An act to amend Section 31030 of the Water Code, relating to the authorization of revenue bonds by county water districts and declaring the urgency thereof to take effect immediately.

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 31030 of the Water Code is amended to read:

31030. The Revenue Bond Law of 1941 is applicable to districts for the purpose of providing funds for the acquisition, construction, improving or financing of any public improvement authorized by this division which is not inconsistent with the provisions of Section 54310 of the Government Code. The powers conferred upon districts by this section are in addition to the powers conferred by Article 7 of Chapter 2 of Part 6 of this division and none of the provisions of said Article 7 are applicable to proceedings taken by a district pursuant to this section.

SEC. 2. This act is an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of Article IV of the Constitution, and shall go into immediate effect. The facts constituting such necessity are:

County water districts are in urgent need of facilities to supply water to protect the public health and safety of the people in said districts. It is desirable that said facilities be financed by the issuance and sale of revenue bonds. The use of the Revenue Bond Law of 1941 to finance said facilities would greatly speed up their construction so that they could be completed during the summer. Therefore, to provide water facilities necessary for public health and safety at an early date, it is necessary that this act take effect immediately.

CHAPTER 343

An act to add Section 375.6 to the Fish and Game Code, relating to federal preserves.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 375.6 is added to the Fish and Game Code, to read:

375.6. The consent of the State to the acquisition by the United States of land, water, or land and water for migratory bird reservations as provided in Section 375 is subject to the condition that the United States conform to the laws of the State relating to the acquisition, control, use and distribution of water with respect to the land acquired.

CHAPTER 344

An act to add Section 541.5 to the Vehicle Code, relating to turning of vehicles near fire stations.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 541.5 is added to the Vehicle Code, to read:

541.5. Turning Near Fire Stations Prohibited. No vehicle in front of the driveway entrance or approaches to a fire station shall be turned so as to proceed in the opposite direction. No vehicle shall use the driveway entrance or approaches to a fire station for the purpose of turning so as to proceed in the opposite direction.

CHAPTER 345

An act to amend Sections 14, 16, 19 and 22 of the Sonoma County Flood Control and Water Conservation District Act, relating to the Sonoma County Flood Control and Water Conservation District, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14 of the Sonoma County Flood Control and Water Conservation District Act is amended to read:

Sec. 14. The board must estimate and determine the amount of money necessary to be raised to construct or purchase necessary works and acquire the necessary property and rights therefor and otherwise carry out the provisions of this act.

Estimate of money needed for works, projects, etc.

For the purpose of ascertaining the amount of money necessary to be raised for such purposes, or any of them, the board shall cause such surveys, examinations, drawings and plans to be made as shall furnish the proper basis for said estimate.

The surveys, examinations, drawings, plans, and estimate may provide that the works necessary for a completed project may be constructed progressively during a period of years. Such report may cover one or more separate projects or works of improvement all designed to carry out the provisions of this act.

In the estimate of the amount necessary to be raised, the board may include a sum sufficient to pay the interest on the bonds to be issued for a period of three years or less. All such surveys, examinations, drawings, and plans shall be made under the direction of the engineer of the district and shall be certified by him. After receiving such report the board shall determine and declare by resolution whether or not the proposed plan of work is satisfactory and whether or not the project, as set forth in said report, is feasible, and if so, shall make an order determining the amount of bonds that should be issued in order to raise the amount of money necessary therefor, and in determining said amount, sufficient may be included to cover the cost of inspection of works in course of construction.

SEC. 2. Section 16 of said act is amended to read:

Sec. 16. After the adoption of said report and estimate of the amount of money required to be raised the board shall call a special election and submit to the qualified voters of said district a proposition or propositions of incurring bonded indebtedness in order to carry out the provisions of this act.

Special election:

Several separate propositions of incurring bonded indebtedness may be submitted separately to the voters at the same election if such respective propositions are separately stated in the resolution calling the election and on the ballot to be used at the election.

Separate propositions

The resolution calling the special election shall recite the objects and purposes for which the indebtedness is proposed to be incurred; provided, that it shall be sufficient to give a brief general description of such objects and purposes; and said resolution shall state the estimated cost of the proposed work and improvements, the amount of the principal of the indebtedness to be incurred therefor and shall fix the maximum rate of interest to be paid on said indebtedness which shall not exceed 5 percent per annum, and shall fix the date on which the special election shall be held and the manner of voting for and against the incurring of such indebtedness.

Objects and purposes of indebtedness

Election
precincts

For the purpose of said election, the board shall, in its resolution, establish election precincts within the boundaries of said district, and may form election precincts by consolidating the precincts established for general election purposes in said district to a number not exceeding six for each such bond election precinct, and shall designate a polling place and appoint two inspectors, two judges and two clerks for each of such precincts.

General elec-
tion laws

In all particulars not recited in such resolution, such election shall be held as nearly as practicable in conformity with the general election laws of the State.

Qualified
voters

At such election all persons whose names appear on the last great register of County of Sonoma as residing within the district shall be entitled to vote, except as hereinafter otherwise provided.

Publication
of notice

Such resolution calling such election shall be published once a day for at least seven days, in some newspaper published at least six days a week in said district, or once a week for two weeks in some newspaper published less than six days a week in such district, and one insertion each week for two succeeding weeks shall be a sufficient publication in such newspaper published less than six days a week. No further notice of such election need be given.

Defects, etc.

Any defect or irregularity in the proceedings prior to the election shall not affect the validity of the bonds.

Two-thirds
vote

If at such election, two-thirds or more of the votes are cast in favor of the incurring of such bonded indebtedness, then the bonds of said district, for the amounts stated in such proceedings, shall be issued and sold as provided in this act.

Majority
vote

Notwithstanding any other provision of this act, a majority vote shall be sufficient to authorize the issuance of revenue bonds, and a two-thirds vote shall be required only for the issuance of general obligation bonds.

SEC. 3. Section 19 of said act is amended to read:

Form, etc.,
of bonds

Sec. 19. Subject to the provisions of this act, the board shall prescribe by resolution the form of the bonds and of the interest coupons attached thereto and shall fix the rate of interest said bonds shall bear, not to exceed 5 percent per annum. The board may divide any authorized issue into one or more series and fix different dates for the bonds of each such series. The bonds of each such series shall mature serially and become payable in not to exceed 40 years from the date of each such series in such amounts as the board may fix; provided, that the earliest maturity of bonds of any series shall not be more than five years from the date of such series. The board shall fix the place, or places (which may be within or without the State of California and which shall be designated in said bonds) where said bonds together with the interest thereon shall be payable.

Callable bonds may be redeemed in such amounts and manner and at such prices as the board may prescribe by resolution.

SEC. 4. Section 22 of said act is amended to read:

Sec. 22. The district may sell the whole, or from time to time any part, of the bonds so issued at the times or in the manner the board deems to be to the public interest; provided, that all bonds shall be sold on sealed proposals to the highest bidder after advertising for bids by publication of notice of sale once, not less than 10 days prior to the date of sale, in a newspaper of general circulation circulating in the district. If satisfactory bids are received, the bonds offered for sale shall be awarded to the highest responsible bidder. If no bids are received or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders, the board may reject all bids received, if any, and either readvertise or sell the bonds at private sale. The bonds may be registered with the treasurer in accordance with the provisions of any law applicable to the registration of municipal bonds, and thereafter the principal and interest thereon shall be paid to the proper registered owner thereof.

Bond sales

Registration

SEC. 5. All acts and proceedings taken by or on behalf of the board of the Sonoma County Flood Control and Water Conservation District under the Sonoma County Flood Control and Water Conservation District Act for or in connection with the calling or holding of any election for the issuance of bonds of said district are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of said board and of any person, public officer, board or agency heretofore done or taken upon the question of the authorization of such bonds. If any election has heretofore been called for the purpose of submitting to the voters of the district the proposition of issuing bonds in order to carry out the provisions of said act, such bonds, if authorized by the required vote in accordance with the proceedings heretofore taken, and issued and delivered in accordance with such authorization, shall be the legal, valid and binding obligations of said district.

Validation
of bond
proceedings

SEC. 6. This act is an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of Article IV of the Constitution and shall go into immediate effect. A statement of the facts constituting such necessity is as follows:

Urgency

The peace, health and safety of the citizens of the State require the immediate construction and financing, by the issuance and sale of bonds authorized by this act, as soon as possible, and before this act would otherwise become effective, of urgently needed projects or works of improvement provided for under said act. The district requires the immediate construction of projects or works of improvement for water conservation and the control, disposition and distribution of water resources, the cost of which is beyond the means of the property owners and taxpayers of the district so that it is necessary to obtain financial aid from the United States Government therefor. The United States Government has ap-

proved the construction of the Coyote Valley Dam project on the Russian River and authorized the appropriation of eleven million five hundred twenty-two thousand dollars (\$11,522,000) for accomplishment of the initial stage thereof, provided the district shall contribute five million five hundred ninety-eight thousand dollars (\$5,598,000) in cash prior to the commencement of construction. In order to make the required immediate contribution of said sum in order to obtain such financial and other aid from the United States Government, the district must immediately issue bonds under said act as amended hereby.

CHAPTER 346

An act to amend Sections 13006, 13800, 15253, 15254 and 15278 of the Government Code, and Section 72 of the Agricultural Code, relating to the Department of Finance.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13006 of the Government Code is amended to read:

Divisions

13006. The work of the department shall be divided into at least three divisions known as the Budget Division, the Fairs and Expositions Division, and the State Lands Division.

SEC. 2. Section 13800 of the Government Code is amended to read:

Communi-
cations
Division

13800. There is in the Department of Finance a Communications Division.

SEC. 3. Section 15253 of said code is amended to read:

Communica-
tions Law
Applicability

15253. This part shall apply only to those communications facilities which are owned and operated by public agencies in connection with official business of law enforcement services, fire services, natural resources services, agricultural services, and highway maintenance and control of the State or of cities, counties, and other political subdivisions in this State. This part shall not be construed as conferring upon the Communications Division or the Communications Advisory Board control of programs or broadcasts intended for the general public.

SEC. 4. Section 15254 of said code is amended to read:

Restrictions
on use

15254. Radio and other communications facilities owned or operated by the State and subject to the jurisdiction of the Communications Division or the board shall not be used for political, sectarian, or propaganda purposes. Such facilities shall not be used for the purpose of broadcasts intended for the general public, except for fire, flood, frost, storm, catastrophe, and such other warnings and information for the protection of the public safety as the board may prescribe.

SEC. 5. Section 15278 of said code is amended to read:

15278. The technical assistance required by the board and its staff shall be provided by the Communications Division. Technical assistance

SEC. 6. Section 72 of the Agricultural Code is amended to read:

72. There shall be a Fairs and Expositions Division in the Department of Finance. The division shall be in charge of a chief who shall be appointed by the Director of Finance, in accordance with the provisions of the State Civil Service Act. Division of Fairs and Expositions

CHAPTER 347

An act to abolish a condemnation fund established in the State Treasury with respect to the Montague Water Conservation District and to transfer the balance of said fund to the General Fund.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The condemnation fund established in the State Treasury with respect to the Montague Water Conservation District under the authority of Section 1254 of the Code of Civil Procedure is hereby abolished. The unexpended balance remaining in said fund is hereby transferred to the General Fund in the State Treasury.

CHAPTER 348

An act to amend Sections 50022.1, 50022.2, 50022.3 and 50022.5 of the Government Code, relating to the enactment of codes by local agencies.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 50022.1 of the Government Code is amended to read:

50022.1. (a) "Code," as used in this article, means any statute, or any published compilation of rules, regulations or standards adopted by the Federal Government or the State of California, or by any agency of either of them. It shall include any codification or compilation of existing ordinances of the adopting local agency. It shall include any nationally recognized or approved published compilations of proposed rules, regulations or standards of any private organization or institution which has been in existence for a period of at least five years. Definitions

(b) "Primary code," as used in this article, means any code which is directly adopted by reference, in whole or in part, by any ordinance passed pursuant to this article.

(c) "Secondary code," as used in this article, means any code which is incorporated by reference, directly or indirectly, in whole or in part, in any primary code or in any secondary code.

(d) "Published," as used in this article, means issued in printed, lithographed, multigraphed, mimeographed or similar form.

(e) "Approved," as used in this article, means the approval of the legislative body of the local agency, as the result of investigation and tests conducted by such agency or by reason of the accepted principles or tests by recognized national or state authorities, technical, or scientific organizations.

SEC. 2. Section 50022.2 of said code is amended to read:

Adoption

50022.2. Provided that all the procedures and requirements of this article are complied with, any local agency is hereby authorized to enact any ordinance which adopts any code by reference, in whole or in part; and such primary code, thus adopted, may in turn adopt by reference, in whole or in part, any secondary codes duly described therein. Every primary code which is incorporated in any such adopting ordinance shall be specified in the title of the ordinance.

SEC. 3. Section 50022.3 of said code is amended to read:

Hearing

50022.3. After the first reading of the title of the adopting ordinance and of the title of the code to be adopted thereby, and of the title of the secondary codes therein adopted by reference, the legislative body shall schedule a public hearing thereon. Notice of the hearing shall be published twice in a newspaper of general circulation in or nearest to the adopting local agency: once at least eight days preceding the hearing, and once at least 15 days preceding it. If there is no such newspaper in the county the notice shall be posted in the same manner as provided for the posting of a proposed ordinance. The notice shall state the time and place of the hearing. It shall also state that copies of the primary code and also copies of the secondary codes, if any, being considered for adoption, are on file with the clerk of the legislative body, and are open to public inspection. The notice shall also contain a description which the legislative body deems sufficient to give notice to interested persons of the purpose of the ordinance and the subject matter thereof.

Publication
of notice

SEC. 4. Section 50022.5 of said code is amended to read:

Publication
requirement

50022.5. Nothing contained in this statute shall be deemed to relieve any local agency from the requirement of publishing in full the ordinance which adopts any such code; and all provisions applicable to such publication shall be fully carried out.

CHAPTER 349

An act to amend Section 3 of Chapter 973 of the Statutes of 1949, relating to fish.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3 of Chapter 973 of the Statutes of 1949 is amended to read:

SEC. 3. The provisions of Sections 495 and 496 of the Fish and Game Code shall be effective until the ninety-first day after final adjournment of the 1957 Regular Session of the Legislature and thereafter shall have no force or effect.

CHAPTER 350

An act to amend Section 6537 of the Business and Professions Code, relating to barber colleges.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6537 of the Business and Professions Code is amended to read:

6537. No college shall enroll or admit any student in a refresher course thereof, where the refresher course is for the purpose of qualifying persons to pass the examination conducted by the board to determine fitness to practice barbering, unless the student prepares, in duplicate, a verified application, obtained by the student or the college from the board, showing that there has been a compliance with each of the following:

(a) The applicant has graduated from an eighth grade grammar school or has an equivalent education as theretofore determined by an examination conducted by the board.

(b) The applicant either:

(1) Has graduated from a college approved by the board.

(2) Has met all the requirements of this chapter to take the examination for a certificate as a registered apprentice.

(3) Has met all the requirements of this chapter to take the examination for a certificate as a registered barber.

One copy of the application shall be retained by the college admitting or enrolling the student and the other shall be filed by the college with the board.

CHAPTER 351

An act to amend Section 6560 of the Business and Professions Code, relating to barbers.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6560 of the Business and Professions Code is amended to read:

6560. Any person upon payment of the required fee, shall be granted permission to take an examination to determine his fitness to receive a certificate of registration to practice barbering if he complies with each of the following:

(a) He is at least eighteen years of age and of good moral character and temperate habits.

(b) He has a diploma showing graduation from an eighth grade grammar school, or its equivalent as determined by an examination conducted by the board.

(c) He has either:

(1) A valid license or certificate of registration as a practicing barber from another state or country which has substantially the same requirements for licensing or registering barbers as required by this chapter.

(2) With respect to an applicant who comes from a state or country where no provisions are made for licensing barbers, affidavits that he practiced as a barber in said state or country for a period of two within the last five years immediately before making said application.

If he fails to pass the examination, he may file a new application accompanied by the required fee and take another examination. In no event will he be permitted to practice barbering until such time as he satisfactorily passes an examination and receives a certificate of registration as a registered barber.

CHAPTER 352

An act to amend Section 6561 of the Business and Professions Code, relating to barbers.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6561 of the Business and Professions Code is amended to read:

6561. Any person, upon payment of the required fee, shall be granted permission to take an examination to determine his fitness to receive a certificate of registration as an apprentice, if he complies with each of the following:

(a) He is at least 16½ years of age and of good moral character and temperate habits.

(b) He has a diploma showing graduation from an eighth grade grammar school or its equivalent as determined by an examination conducted by the board.

(c) He has either:

(1) A valid certificate of registration as an apprentice in another state or country which has substantially the same requirements for registering an apprentice as required by this chapter.

(2) Affidavits that he has practiced as an apprentice in another state or country for at least six months within the last two years immediately prior to making application in this State.

If he passes the required examination, a certificate of registration as a registered apprentice shall be issued to him and the time spent in such other state or country as apprentice shall be credited upon the period of apprenticeship required by this chapter as a qualification to take the examination to determine his fitness to receive a certificate of registration as a registered barber.

If he fails to pass a satisfactory examination, he shall complete a further course of study of not less than 250 hours to be completed within three months with not more than eight hours in any one working day in a college of barbering approved by the board before he is eligible to file another application for an examination to determine his fitness to receive an apprentice certificate.

CHAPTER 353

An act authorizing the State Lands Commission to exchange property of the State of California for property in Alameda County for purposes of navigation and flood control and providing for actions against the State to quiet title to the land exchanged and to determine the validity of the title to such land, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. The State Lands Commission is hereby authorized to grant to any person, persons, or corporations, parcels of land, held by the State of California, lying and being in Alameda County, upon there being granted to the State of California all right, title and interest of such person, persons, or corporations in other parcels of land lying and being in Alameda County. Such lands to be conveyed to the State shall be of equal or greater value than the lands conveyed by the State. The State Lands Commission shall determine the lands to be conveyed by, and granted to, the State of California and the value of lands so respectively conveyed by and granted to

Author-
ization

the State of California, which determination shall be final, and, in the event of a deficiency in value of lands conveyed to the State, said State Lands Commission is authorized to accept cash in lieu of land, for the purpose of equalizing values.

Applicability SEC. 2. This act shall apply only within Sections 12 and 13, Township 4 South, Range 3 West, and in Sections 7, 8, 9, 17, and 18, Township 4 South, Range 2 West, Mount Diablo Base and Meridian.

Purpose SEC. 3. Said grant of lands by the State is hereby authorized, for the purpose of improving navigation and flood control by the substitution of the lands granted to the State in lieu of the lands conveyed by it. It is hereby determined that, upon the completion of said grant by the State, and the said conveyance of other lands to it, the lands authorized to be conveyed by the State will be no longer necessary or useful for navigation or fisheries, and such lands, upon the delivery of such respective conveyances, are hereby freed of the public trust for navigation and fisheries.

Authorization to sue State SEC. 4. The grantee or grantees of any lands, pursuant to the provisions of this act, or his or their successor or successors in interest, immediate or remote, is and are hereby authorized to bring suit against the State of California to quiet title to the lands so conveyed, or to obtain declaratory relief determining the validity of such title so conveyed. Service of process in any such suit shall be made upon the Chairman of the State Lands Commission and the Attorney General, and it shall be the duty of the Attorney General to represent the State in such suit. In any such action, whether or not judgment is given against the State, no costs shall be recovered against the State. Any action brought under the provisions of this act shall be commenced prior to October 1, 1957.

Urgency SEC. 5. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The Alameda County Flood Control and Water Conservation District is engaged in a project of flood control which affects the lands described in this act and which is designed to alleviate the critical flood control problem. In order for this program to proceed promptly and without undue and costly delay, it is necessary that this act take effect immediately.

CHAPTER 354

An act to amend Sections 656 and 657 of the Elections Code, relating to the qualifications for precinct officers.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 656 of the Elections Code is amended to read:

656. Each officer of a precinct board shall be a voter of the precinct for which he is appointed or a voter of a precinct situated in the same general area of the municipality or judicial district as the precinct for which he is appointed and in which he acts and shall serve only in that precinct.

SEC. 2. Section 657 of said code is amended to read:

657. In consolidated election precincts the election officers appointed therefor and who act therein shall be voters of one of the precincts of which the consolidated precinct is composed or voters of precincts situated in the same general area of the municipality or judicial district as the consolidated precinct for which they are appointed and in which they act.

CHAPTER 355

An act to amend Section 665 of the Elections Code, relating to appointment of election officers.

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 665 of the Elections Code is amended to read:

665. The election board, as defined in Section 44 of this code, not less than 30 days prior to an election, shall issue its order appointing the members of the several precinct boards and designating the polling places.

CHAPTER 356

An act to amend Section 675 of the Elections Code, relating to notice to inspectors showing polling place and persons appointed.

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 675 of the Elections Code is amended to read:

675. The clerk, as defined in Section 18, shall immediately mail or deliver to each person appointed as inspector a notice showing the precinct polling place and the voters appointed to serve with him as election officers in that precinct. The notice shall be substantially in the following form:

Office of the County Clerk (or Registrar of Voters),
City Clerk or Secretary. County of-----.

NOTICE TO INSPECTOR

To -----, inspector for ----- precinct
The polling place for the ----- precinct at the election
to be held on ----- will be ----- and the precinct
board for that precinct will be composed of you and the fol-
lowing named persons:

Position	Name	Address
-----	-----	-----
-----	-----	-----
-----	-----	-----

You, as inspector, before the polls are opened shall see that each of the other persons serving on the board has signed the declaration required of him by law and which will be found set forth in the tally list and that no person is permitted to act as a precinct officer unless he has signed such declaration and is otherwise qualified to act as a precinct officer.

County Clerk,
City Clerk, Secretary (or other official).

CHAPTER 357

An act to amend Section 3819 of the Elections Code, relating to designation of offices held by or occupations of candidates.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 3819 of the Elections Code is amended to read:

3819. Except in cases provided for by Section 26 of Article VI of the Constitution, immediately under the name of each candidate and not separated therefrom by any line may appear, at the option of the candidate, one of the following designations:

(a) Words designating the city, county, district or state office which the candidate then holds.

In addition to the foregoing, Members of the Senate of the State of California may use either of the following designations: "State Senator, ----- District, California Legislature" or "Member of California Senate, ----- District," or any other appropriate designation, the blanks to be filled with the appropriate district number.

Members of the Assembly may use either of the following designations: "Assemblyman, ----- District, California Legislature" or "Member of the Assembly, ----- District,

California Legislature," or any other appropriate designation, the blanks to be filled with the appropriate district number.

(b) If the candidate be a candidate for the same office which he then holds, and only in that event, the word "incumbent."

(c) Words designating the profession, vocation or occupation of the candidate which shall not exceed three in number. The profession, vocation or occupation so designated shall be the same as appears in the affidavit of registration of the candidate. Notwithstanding any other provision of law, if upon checking the nomination paper the officer in charge of the election finds the wording to be different than that upon the registration affidavit, he shall notify the candidate by registered mail, return receipt requested. The candidate shall within three days from the date of mailing appear before the officer and reregister to conform with the request for the designation that appears on his nomination paper. If the candidate does not appear within three days the officer shall leave the designation under his name blank (no designation). No candidate shall assume a designation which would mislead the voters.

In all cases words so used shall be printed in 8-point roman boldface capitals and lower-case type.

CHAPTER 358

An act to amend Sections 5902 and 7801 of, and to add Sections 5902.1 and 7841.5 to, the Elections Code, relating to absent voter's ballot.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5902 of the Elections Code is amended to read:

5902. Upon receipt of an application for an absent voter's ballot within the proper time the county clerk or registrar of voters receiving it shall file it and then compare the signature thereon with the signature upon the original affidavit of registration and the place of residence as given in the application with that in the affidavit of registration. If it appears that the signature on the application is that of the person who signed the original affidavit of registration and that the place of residence as shown thereon is in the same precinct as appears on the affidavit, he shall deliver to the applicant personally, or by mail at the mailing address given in the application, an official ballot of the precinct of the applicant, an identification envelope, and a return envelope.

Filing
application
with county
clerk, etc

Delivery
of ballot

SEC. 2. Section 5902.1 is added to said code, to read:

5902.1. The city clerk of any municipality, or the secretary or any other officer in charge of an election in a district, upon receipt of an application for an absent voter's ballot within

Filing
application
with city
clerk, etc

the proper time shall file it and then deliver to the applicant personally or by mail at the mailing address given in the application, an official ballot of the precinct of the applicant, an identification envelope and a return envelope. On or before the day of election, the city clerk, or secretary, or other officer in charge of an election in a district, shall compare the signature on the application with the signature upon the original affidavit of registration and the place of residence as given in the application with that in the affidavit of registration. If it appears that the signature on the application is that of the person who signed the original affidavit of registration and that the place of residence as shown thereon is in the same precinct as appears on the affidavit, he shall so certify to the election board at the beginning of the canvass of the ballots.

SEC. 3. Section 7801 of said code is amended to read:

Canvass

7801. As soon as all absent voter ballots issued have been received or returned and accounted for each election board may, and in no case later than seven days after any election each election board shall, count and canvass all of the ballots.

SEC. 4. Section 7841.5 is added to said code, to read:

Comparison
of signatures

7841.5. In beginning the canvass for an election in any municipality or in any district, the election board shall take up the identification envelopes containing the ballots separately in the presence of a majority of the members of the board, and of the public who may be present, and compare the signature of the voter on each of these envelopes with that on the application of the voter which has previously been compared with the signature on the registration affidavit of the voter by the city clerk of the municipality or the secretary or other officer having charge of the election in any district.

CHAPTER 359

An act to amend Sections 9750 and 9751 of the Elections Code, relating to notice.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 9750 of the Elections Code is amended to read:

Publication
of notice

9750. Not earlier than the seventy-fifth nor later than the fifty-fourth day before any municipal election, the city clerk shall publish a notice of the election at least once in one or more newspapers published and circulated in the city. The notice shall be headed "Notice of Election," and shall contain a statement of:

Contents

(a) The time of the election;

(b) The offices to be filled, specifying full term or short term, as the case may be.

If there is no newspaper published and circulated in the city, ^{Posting} the notice shall be typewritten and copies shall be posted conspicuously within that time in at least three public places in the city.

SEC. 2. Section 9751 of said code is amended to read:

9751. The notice of the municipal election shall be substantially in the following form: ^{Form of notice}

Notice of Election

Notice is hereby given that a _____ (general or special) municipal election will be held in the _____ of _____, on _____, the _____ day of _____, 19____, for the following officers: (name them).

The polls will be open between the hours of ____m. and ____m.

City Clerk

Dated, _____, _____.

CHAPTER 360

An act to amend Sections 9752 and 9753 of the Elections Code, relating to election supplies.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 9752 of the Elections Code is amended to read:

9752. Sample ballots shall be printed and mailed to each registered voter for any municipal election in accordance with the time provided by Section 3711 of this code.

SEC. 2. Section 9753 of said code is amended to read:

9753. Polling place cards shall be printed and mailed to each registered voter for any municipal election in accordance with the time provided by Section 3711 of this code.

CHAPTER 361

An act to amend Section 9754 of, and to add Sections 9754.1 and 9755.1 to, the Elections Code, relating to elections.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 9754 of the Elections Code is amended to read:

Municipal
election
to fill
offices
List of
nominees

9754. In case of a municipal election to fill offices, the city clerk shall publish a list of the names of the nominees, in the order in which they appear on the ballot, and the respective offices for which they have been nominated, at least twice before the day of election in one or more daily or weekly newspapers published in the city. If there is no newspaper published and circulated in the city, the notice shall be typewritten and copies shall be posted conspicuously within that time in at least three public places in the city. This list shall be headed, "Nominees for Public Office," in conspicuous type, and be substantially in the following form:

Form of
list

NOMINEES FOR PUBLIC OFFICE

Notice is hereby given that the following persons have been nominated for the offices hereinafter mentioned to be filled at the General Municipal Election to be held in the _____ of _____ on _____ the _____ day of _____, 19____. (Here follow with the list of nominees.)

Dated, _____

City Clerk

Publication
of notice

SEC. 2. Section 9754.1 is added to said code, to read:

Form of
notice

9754.1. Not later than 40 days prior to any municipal election, the city clerk shall publish a notice, which notice shall be headed "Election Officers and Polling Places" in conspicuous type and shall be substantially in the following form:

ELECTION OFFICERS AND POLLING PLACES

There will be _____ voting precincts for the purpose of holding the election, consisting of either regular election precincts established for holding state or county elections or a consolidation of some or all of such precincts as follows:

Voting Precinct 1, comprising state and county precinct number (or numbers)

The polling places shall be at _____ (state place)

Inspector (name)

Judge (name)

Clerk (name)

Clerk (name)

The polls will be opened between the hours of _____ m. and _____ m.

City Clerk

City of _____

SEC. 3. Section 9755.1 is added to said code, to read:

Municipal
election on
measure
Publication
of notice
Form of
notice

9755.1. Not later than 40 days prior to any municipal election, the city clerk shall publish a notice, which notice shall be headed "Election Officers and Polling Places" in conspicuous type and shall be substantially in the following form:

ELECTION OFFICERS AND POLLING PLACES

There will be ----- voting precincts for the purpose of holding the election, consisting of either regular election precincts established for holding state or county elections or a consolidation of some or all of such precincts as follows:

Voting Precinct 1, comprising state and county precinct number (or numbers)

The polling places shall be at ----- (state place)

Inspector (name)

Judge (name)

Clerk (name)

Clerk (name)

The polls will be opened between the hours of ----- m. and ----- m.

City of ----- City Clerk

CHAPTER 362

An act to add Section 31559 to the Government Code, relating to public retirement systems.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 31559 is added to the Government Code, to read:

31559. Whenever a county or district subject to the provisions of this chapter takes over and assumes any of the functions of any other public agency, and because of such assumption all or any employees of such other public agency become employees of such county or district, any such employee not over 35 years of age when employed in a position of such other public agency, the principal duties of which consist of active law enforcement or active fire suppression, as defined in Sections 31469.3, 31470.2 and 31470.4, who, because of such transfer of functions, is employed in such a position in such county or district, shall become a safety member on the first day of the calendar month following his entrance into service.

CHAPTER 363

An act adding Sections 31470.7, 31478, 31479, 31480, 31641.1, 31641.2, 31641.3, 31641.4, 31641.8, 31641.9, and 31641.95 to, and amending Section 31641 of, the Government Code, relating to county retirement systems.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 31470.7 is added to the Government Code, to read:

Effect of
election for
public serv-
ice credit

31470.7. The election by a member to receive credit for employment in public service or in county service pursuant to Section 31641.1 or 31641.5 does not make such person a member during any part of such public service or county service.

SEC. 2. Section 31478 is added to the Government Code, to read:

"Public
agency"

31478. "Public agency" means the United States of America, this State, or any department or agency of either, or any city, public corporation, municipal corporation, or public district, which city, public corporation, municipal corporation, or public district is situated in whole or in part within the county.

Section 31468 does not apply to this section.

SEC. 3. Section 31479 is added to the Government Code, to read:

"Public
service"

31479. "Public service" means service rendered as an officer or employee of a public agency for which service the officer or employee received compensation from the public agency and with respect to which he is not entitled to receive credit in any retirement system supported wholly or in part by public funds after he becomes a member of this system.

SEC. 4. Section 31480 is added to the Government Code, to read:

Applicability

31480. The provisions of this chapter, as they apply to retirement for service or disability, deferred retirement, and the death benefit, shall not be applicable to any member claiming public service pursuant to Section 31478, unless such member has rendered service, other than the public service for which the member has elected to receive credit, sufficient to meet the minimum requirements of this chapter covering each of the benefits enumerated in this section.

SEC. 5. Section 31641.1 is added to the Government Code, to read:

Election
for public
service credit

31641.1. A member who was in public service before becoming a member may elect by written notice filed with the board within one year after his entrance into the retirement system, or within one year after this section becomes applicable in the county, whichever is later, to make contributions pur-

suant to Section 31641.2 and to receive credit in the retirement system for all of his public service time. Credit for part-time service shall be calculated as provided in Section 31641.5.

SEC. 6. Section 31641.2 is added to the Government Code, to read:

31641.2. Any member of the retirement system who elects pursuant to Section 31641.1 to make contributions and receive credit as service for time for which he claims credit because of public service shall contribute to the retirement fund, prior to the effective date of his retirement, by lump sum payment or by installment payments over a period not to exceed five years, an amount equal to the sum of:

(a) Twice the contributions he would have made to the retirement fund if he had been a member during the same length of time as that for which he has elected to receive credit as service, computed by applying the rate of contribution first applicable to him upon commencement of his membership in this system to the monthly compensation first earnable by him at the time as provided in Section 31641.3, multiplied by the number of months for which he has elected to receive credit for county service, including time, if any, prior to the establishment of the system, and which will constitute current service under this system.

(b) The "regular interest" which would have accrued to such member contributions if they had been made on the date used to determine on what earnable compensation contributions pursuant to this section shall be based, from that date until the completion of payment of those contributions, computed at the current interest rate.

SEC. 7. Section 31641.3 is added to the Government Code, to read:

31641.3. In Section 31641.2 compensation first earnable shall be that earnable by the member at the time of the commencement of his membership in the retirement system, except that if a member who, prior to January 1, 1952, was a member of any retirement system in the same county which was superseded by a system established under this act, if such member so requests, the compensation first earnable by him at the later of the following times shall be used:

(a) The commencement of his membership in such superseded retirement system.

(b) The date on which this retirement system first became operative.

SEC. 8. Section 31641.4 is added to the Government Code, to read:

31641.4. A member shall receive credit for employment in public service only for such service as he is not entitled to receive a pension or retirement allowance from such public agency, and the service for which he elects to contribute must be certified to by an officer of the public agency where he rendered such public service to the effect that no pension or

retirement allowance will accrue to him by virtue of his employment in such public agency.

SEC. 9. Section 31641.8 is added to the Government Code, to read:

Lump sum
payment

31641.8. Any member who has elected to make contributions pursuant to this chapter by installment payments may, at any time prior to the effective date of his retirement, complete payment thereof by lump sum.

SEC. 10. Section 31641.9 is added to the Government Code, to read:

Contribu-
tions not
matched by
county

31641.9. All contributions made by a member, pursuant to this article, shall be considered to be, and shall be administered as, normal contributions but shall not be matched by the county upon retirement of the member.

SEC. 10.5. Section 31641.95 is added to the Government Code, to read:

Applicability
contingent
on resolution

31641.95. Sections 31470.7, 31478, 31479, 31480, 31641.1, 31641.2, 31641.3, 31641.4, 31641.8, and 31641.9 may only be applicable in any county or district on the first day of the month after the governing board of such county or district adopts, by majority vote, a resolution providing that those sections shall become applicable in such county or district.

SEC. 11. Section 31641 of the Government Code is amended to read:

"Service"

31641. "Service" means uninterrupted employment of any person appointed or elected for that period of time:

(a) For which deductions are made from his earnable compensation from the county or district for such service while he is a member of the retirement association.

(b) In military service for which the county or district or member is authorized by other provisions of this chapter to make, and does make, contributions.

(c) For which he receives credit for county service or for public service or for both pursuant to the provisions of this article.

(d) Allowed for prior service.

CHAPTER 364

An act to amend Section 1381 of the Penal Code, relating to the time of trial of persons committed to the Youth Authority on charges other than that for which committed.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1381 of the Penal Code is amended to read:

1381. Whenever a defendant has been convicted, in any court of this State, of the commission of a felony or indictable misdemeanor and has been sentenced to and has entered upon

a term of imprisonment in a state prison or has been committed to and placed in an institution subject to the jurisdiction of the Department of the Youth Authority and at the time of the entry upon such term of imprisonment or commitment there is pending, in any court of this State, any other indictment, information, or complaint charging the defendant with the commission of any crime it is hereby made mandatory upon the district attorney of the county in which such charge is pending to bring the same to trial within 90 days after such defendant shall have delivered to said district attorney written notice of the place of his imprisonment or commitment and his desire to be brought to trial upon said charge unless a continuance beyond said 90 days is requested or consented to by the defendant, in open court, and such request or consent entered upon the minutes of the court in which event the 90 day period herein provided for shall commence to run anew from the date to which such consent or request continued the trial. In the event such action is not brought to trial within the 90 days as herein provided the court in which such charge is pending must, on motion or suggestion of the district attorney, or of the defendant or his counsel, or of the State Department of Corrections, or of the Department of the Youth Authority, or on its own motion, dismiss such charge. If a charge is filed against a person during the time such person is serving a sentence in any state prison of this State or commitment in any institution subject to the jurisdiction of the Department of the Youth Authority it is hereby made mandatory upon the district attorney of the county in which such charge is filed to bring the same to trial within 90 days after said person shall have delivered to said district attorney written notice of the place of his imprisonment or commitment and his desire to be brought to trial upon said charge, unless a continuance is requested or consented to by the defendant, in open court, and such request or consent entered upon the minutes of the court, in which event the 90-day period herein provided for shall commence to run anew from the date to which such request or consent continued the trial. In the event such action is not brought to trial within the 90 days as herein provided the court in which such action is pending must, on motion or suggestion of the district attorney, or of the defendant or his counsel, or of the State Department of Corrections, or of the Department of the Youth Authority, or on its own motion, dismiss such charge.

CHAPTER 365

An act to amend Sections 2, 8, 10, and 11 of the Municipal Sewer District Act of 1939 (Chapter 24 of the Statutes of 1939), relating to the creation of sewer districts in municipalities, the calling of an election in said districts, and the issuance and sale of bonds of said districts, and declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 2 of the Municipal Sewer District Act of 1939 (Statutes 1939, Chapter 24) is amended to read:

When
district may
be created

Sec. 2. Whenever any municipal corporation shall enter into, or has heretofore entered into, a joint agreement with any other municipal corporation or with any county or sanitary district, under any law of this State, for the construction of sewers, including all works and outlets necessary in connection therewith, or for the joint use, maintenance or operation by any such municipal corporation of portions of the works of such municipality or county or sanitary district, or whenever in the judgment of the legislative body of such municipal corporation it is necessary or convenient for the proper sanitation of such district or districts to acquire, construct or complete any sewer or sewers therefor, or works for the treatment of sewage originating therein, including the acquisition of property and rights in sewer systems of counties or of other municipal corporations or of sanitary districts, or any one or more thereof, necessary to enable the sewage of said district or districts to be gathered, treated and disposed of, or whenever in the judgment of the legislative body of such municipal corporation it is necessary or convenient for the proper sanitation of such area or areas of the municipal corporation to acquire, construct or complete any sewer or sewers therefor or works for the treatment of sewage originating therein, such municipal corporation may create one or more districts within its territory, as hereinafter provided, to be taxed or assessed to pay the cost of such improvement, including the cost of the right to use the system, or part of the system, of works theretofore constructed or to be constructed by the other municipality or county or sanitary district, and it may issue and sell bonds of such district so created to pay the cost of the whole or any portion of such improvement. The works to be acquired and constructed and the rights to be acquired may extend beyond the territory embraced within said municipality or said district, and may include the entire cost and expense of the acquisition of flowage rights in outfall sewers and sewage disposal works of any such county or other municipality or sanitary district.

SEC. 2. Section 8 of said act is amended to read:

Sec. 8. At any time after said legislative body shall have so acquired jurisdiction, it may call an election to be held within the district described in the ordinance calling the election, which description shall conform with any changes in boundaries that may have been made in accordance with this act, and provide for the submission to the qualified voters thereof, the proposition of incurring a debt by the issuance of bonds of such district, for the purposes set forth in the ordinance of intention, and separately any proposition of charging the annual cost of maintenance and operation against said district as provided by Section 5 hereof. The ordinance calling such election shall also recite the objects and purposes for which the proposed indebtedness is to be incurred, the nature of the improvement contemplated thereby, the estimated cost thereof, the estimated cost of the incidental expense in connection therewith, the amount of the principal of the indebtedness to be incurred therefor, and the rate of interest to be paid on such indebtedness; provided, however, that in its discretion said legislative body may recite in such ordinance a maximum rate of interest to be paid on such indebtedness, which rate when so recited, shall not be exceeded in the issuance of bonds for such indebtedness; and said ordinance shall fix the date on which such election shall be held, the manner of holding the same and the manner of voting for or against said proposition. The maximum rate of interest to be paid on such indebtedness shall be 6 per centum per annum, payable semi-annually, except that interest for the first year may be payable at the end of said year.

Election

Recitations
in ordinance
calling
election

SEC. 3. Section 10 of said act is amended to read:

Sec. 10. Said legislative body shall, subject to the provisions of this act, prescribe the form of said bonds, and of the interest coupons attached thereto. Said bonds shall be payable in the following manner:

Form of
bonds

Payment

A part, to be determined by said legislative body, and which shall not be less than one-fortieth part of the whole amount of such indebtedness, shall be payable each and every year, on a day and date, and at a place to be fixed by said legislative body and designated in such bonds, together with the interest on all sums unpaid on such date, until the whole of said indebtedness shall have been paid.

The bonds shall be issued in such denomination as said legislative body may determine, except that no bonds shall be of a less denomination than one hundred dollars (\$100), nor of a greater denomination than one thousand dollars (\$1,000), and shall be payable on the day and at the place fixed in such bonds, and with interest at the rate specified in such bonds, which rate shall not be in excess of 6 per centum per annum, and shall be paid semiannually, except that interest for the first year may be payable at the end of said year; and said bonds shall be signed by the chief executive of the municipality, or by such other officer thereof as the legislative body

Denomi-
nations

Interest

Signatures

of the municipality shall, by resolution adopted by a two-thirds vote of all its members, authorize and designate for that purpose, and also signed by the treasurer thereof, and shall be countersigned by the clerk. The interest coupons on said bonds shall be numbered consecutively and signed by the treasurer of such municipality by his engraved or lithographed signature. In case any such officers whose signatures or countersignatures appear on the bonds or coupons shall cease to be such officer before the delivery of such bonds to the purchaser, such signature or countersignature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until the delivery of the bonds. All such bonds shall be the obligations of the district or districts only, and shall be payable from taxes levied on the property in the district or districts created.

SEC. 4. Section 11 of said act is amended to read:

Sale of
bonds

Sec. 11. Said legislative body may issue and sell the bonds of such district, authorized as hereinabove provided, at not less than par value; provided, however, that the total amount of bonds issued shall not exceed 25 percent of the assessed value of the taxable land in said district as shown by the last equalized assessment roll of such city. The proceeds of the sale of such bonds shall be placed in the treasury of such municipality to the credit of the proper district fund and shall be applied exclusively to the purposes and objects mentioned in the ordinance ordering the holding of the bond election as aforesaid and to the incidental expense in connection therewith; provided, however, that when said purposes and objects have been accomplished any moneys remaining in such improvement fund shall be transferred to the fund to be used for the payment of principal of and interest on the bonds.

Urgency

SEC. 5. This act is an urgency measure, necessary for the immediate preservation of the public peace, health and safety within the meaning of Article IV of the Constitution, and shall go into immediate effect. The facts constituting such necessity are:

Bonds are being voted for sewer treatment and disposal facilities which are urgently needed to protect the public health of the people in said districts. With the semiannual payment of interest required by the law as it now exists bonds cannot be issued until July first or later in the year and the projects would be delayed, endangering the health of the people in the districts. Therefore, to provide sewer facilities necessary for public health at an early date, it is necessary that this act take effect immediately.

CHAPTER 366

An act to add Section 9266 to the Public Resources Code, relating to general powers of a soil conservation district.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 9266 is added to the Public Resources Code, to read:

9266. The directors may engage in activities designed to promote a knowledge of the principles of soil and water conservation throughout the district and for that purpose may develop educational programs both for children and for adults. In the development of such programs the directors may authorize the giving of awards and prizes for outstanding achievement; provided, that the total amount of any such awards or prizes shall not exceed the total balance remaining unexpended of money theretofore received by the district through donations, gifts, and grants. In no event, however, shall any expenditures be made pursuant to this section from any money derived from regular assessments of the district or from money appropriated to the district from the general fund of the county for the use of the district in accordance with provisions of Section 9361.

CHAPTER 367

An act to amend Sections 6446 and 6448 of the Streets and Highways Code, relating to lien of the assessment represented by bond and the payment and cancellation of bond.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6446 of the Streets and Highways Code is amended to read:

6446. The assessment shall be a lien upon the property affected thereby, with priority as fixed in Section 5373, until the bond issued to represent the assessment and which it is hereby declared does represent the assessment, and the accrued interest thereon and the penalties, if any, shall be fully paid according to the terms thereof, but which lien shall in no event continue beyond four years after the due date of the last installment upon said bond, or of the last principal coupon attached thereto.

SEC. 2. Section 6448 of the Streets and Highways Code is amended to read:

6448. When all payments on a bond are made to the treasurer, he shall enter the same in his record of the bond and the

lien of the assessment shall cease; and he shall report the same to the street superintendent, who shall forthwith mark paid on the margin of the record of the assessment to represent which the bond was issued.

The treasurer shall forthwith notify the holder of the bond and call in the bond. When the bond has been presented and paid the treasurer shall enter in his record thereof the amount paid and the date of payment to the holder and shall cancel the bond and file it in his office.

CHAPTER 368

An act to amend Section 525 of, to repeal Section 525.2 of, and to add Section 525.2 to, the Vehicle Code, relating to driving on the right side of roadways and obedience to distinctive roadway markings.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 525 of the Vehicle Code is amended to read:

Driving
on right
side rule

525. Drive on Right Side of Roadway—Exceptions. (a) Upon all roadways of sufficient width a vehicle shall be driven upon the right half of the roadway, except as follows:

(1) When overtaking and passing another vehicle proceeding in the same direction under the rules governing such movement.

(2) When placing a vehicle in a lawful position for, and when such vehicle is lawfully making a left turn.

(3) When the right half of a roadway is closed to traffic while under construction or repair.

(4) Upon a roadway designated and signposted for one-way traffic.

(b) It is unlawful to drive any vehicle upon any highway which has been divided into two or more roadways by means of intermittent barriers or by means of a dividing section of not less than two feet in width either unpaved or delineated by curbs, lines or other markings on the roadway except to the right of such barrier or dividing section, or to drive any vehicle over, upon, or across any such dividing section, or to make any left turn or semicircular or U-turn on any such divided highway, except through an opening in such barrier designated and intended by public authorities for the use of vehicles or through a plainly marked opening in such dividing section.

Repeal

SEC. 2. Section 525.2 of the Vehicle Code is hereby repealed.

SEC. 3. Section 525.2 is added to the Vehicle Code, to read:

525.2. Distinctive Roadway Markings. (a) The State Department of Public Works, Division of Highways, in respect to state highways and a local authority with respect to highways under its jurisdiction, are authorized to place and maintain upon highways distinctive roadway markings as described herein and which shall have the effect as set forth in subdivision (b) of this section. The distinctive roadway markings as described herein shall be employed to designate any portion of a highway where the volume of traffic or the vertical or other curvature of the roadway renders it hazardous to drive on the left side of such marking or to indicate no driving to the left as provided in Section 530(b)2, and such distinctive roadway markings as described in subdivision (b) shall not be employed for any other purpose.

Distinctive
roadway
markings

(b) For the purposes of this section the distinctive roadway markings are hereby described and shall have the meanings respectively as herein stated.

Description
and meaning

1. A double line consisting of two parallel solid white lines, each four inches in width, separated by a black line three inches in width or a corresponding width of pavement. When such double parallel solid white lines are in place, no person driving a vehicle shall drive to the left thereof, except as permitted in paragraph 3 of this subdivision.

2. A double line consisting of two parallel lines, one of which shall be a solid white line and one a broken white line, each four inches in width separated by a black line three inches in width or a corresponding width of pavement. The term "broken line" used herein shall mean a line in which the breaks or unpainted portions thereof do not exceed 26 feet in length and the solid or painted portions thereof between such breaks are not less than eight feet in length. When the double line, as described in this paragraph, is in place no person driving a vehicle shall drive to the left thereof, except that the driver on that side of the roadway in which such broken line is in place may cross over such double line or drive to the left thereof when overtaking or passing other vehicles.

3. Exceptions. Either of the markings as specified in paragraph 1 or 2 above shall not prevent a driver from turning to the left across any such marking at any intersection or into a private driveway, and either of said markings shall be disregarded when authorized signs have been erected designating off-center traffic lanes as permitted under Section 525.5, in which event, no person shall disobey the instructions given by such signs.

(c) Any pavement marking other than as described in this section placed by the State Department of Public Works or any local authority shall not be effective to indicate no driving over or to the left of said marking.

CHAPTER 369

An act to repeal Sections 783, 784, 801.5 and 971 of, and to add Sections 783, 801.5, 970.5 and 971 to, the Fish and Game Code, relating to lobsters.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955]

The people of the State of California do enact as follows:

Repeal

SECTION 1. Sections 783, 784, 801.5 and 971 of the Fish and Game Code are repealed.

Spiny
lobster

SEC. 2. Section 783 is added to said code, to read:

783. No spiny lobster less than three and one-quarter inches in length measured in a straight line from the rear edge of the eye socket to the rear edge of the body shell, both points to be on the mid-line of the back, may be taken, possessed, purchased or sold. It is unlawful to bring any spiny lobster ashore in such condition that its size cannot be measured.

Black
abalones

SEC. 3. Section 801.5 is added to said code, to read:

801.5. In District 19 within one mile of the shores of Anacapa, Santa Cruz, Santa Rosa, Santa Barbara, San Nicolas, San Clemente, and San Miguel Islands, black abalones may be taken during the season for lobsters as defined in Section 782 for use as bait in lobster traps. Abalones so taken may not be brought to the mainland or to Santa Catalina Island at any time. There is no bag limit on black abalone so taken, but no black abalone shall be taken under this section the shell of which measures less than five inches in greatest diameter.

Baited
hoop nets

SEC. 4. Section 970.5 is added to said code, to read:

970.5. Baited hoop nets not to exceed three (3) feet in diameter may be used at any time in that portion of District 18 lying south of a line running east and west through Point Arguello and in District 19, to take rock crabs, red crabs, and yellow crabs only.

Lobster traps

SEC. 5. Section 971 is added to said code, to read:

971. Lobster traps may be used to take spiny lobsters in Districts 18, 19, 20A, and those portions of District 20 lying on the southerly side of Santa Catalina Island between Southeast Rock and China Point. Wire traps shall be built of rectangular mesh with inside mesh measurement not less than two inches by four inches, the four-inch measurement to be parallel to the floor of the trap. Traps built of lath or other material must have along the full length of two sides openings to allow escape of lobsters. Such openings shall be clearly accessible to the lobsters and of a spacing of not less than two inches and such spacing must be located parallel to, and not more than two inches above, the floor of the trap. Lobster traps may be used to take spiny lobsters, rock crabs and sheep-head only, and any other species taken in such traps shall be released. Such traps may be used only during the season prescribed for spiny lobsters in Section 782. Spiny lobsters may

be taken in any district by the use of the hands in the manner commonly known as skin diving or by the use of a self-contained underwater breathing apparatus; provided, that spiny lobsters so taken may not be sold.

CHAPTER 370

An act to amend Sections 31664.4 and 31720.5 of, to add Section 31787 to, and to repeal Section 31787 of, the Government Code, relating to retirement for county employees.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 31664.4 of the Government Code is amended to read:

31664.4. Any person who elects to become a safety member who was a former member of a retirement system established pursuant to Chapter 3 or Chapter 5 shall have his contributions to the retirement association for membership service prior to January 1, 1952, calculated by the same rates and under the same conditions as those applicable to a member of the retirement system established pursuant to Chapter 4.

SEC. 2. Section 31720.5 of the Government Code is amended to read:

31720.5. If a safety member who has completed 15 years or more of service under a pension system established pursuant to Chapter 4 or under a pension system established pursuant to Chapter 5 or both or under this retirement system and develops heart trouble, it shall be presumed in any proceeding under this chapter, by the board and the court in the absence of evidence to the contrary, that such heart trouble is an injury or disease occurring in and arising out of his employment. Should any such member die from a heart ailment, after 15 years or more of service, he must be in the service of the county or district or on leave of absence on account of illness at the time of his death in order to receive the benefits of this section.

SEC. 3. Section 31787 of the Government Code is repealed.

SEC. 4. Section 31787 is added to the Government Code, to read:

31787. If a safety member dies as the result of injury or disease arising out of and in the course of his employment, and he is survived by a spouse to whom the safety member was married prior to sustaining such injury or disease or by an unmarried child under the age of 18, whether such surviving spouse or child was designated as beneficiary or not, instead of the death benefit provided for by Section 31780, there shall be paid to such surviving spouse, if any, otherwise to such surviving child or children collectively, a monthly death allowance, equal to one-half of the safety member's final compensa-

tion until such surviving spouse dies, or if there is no qualified surviving spouse, or, if the surviving spouse dies before all of the children of the deceased safety member attain age 18 or marry, to his children under age 18 collectively until every child dies, marries, or attains age 18.

CHAPTER 371

An act to amend Sections 31652 and 31780 of the Government Code, relating to retirement for county employees.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 31652 of the Government Code is amended to read:

Redeposit of
contributions

31652. Any member, within one year after his re-entrance into the retirement system or within such longer time as is provided for in regulations of the board, may redeposit in the retirement fund an amount equal to all of the accumulated normal contributions which he has withdrawn, plus regular interest thereon from the date of re-entrance into the retirement system, and his membership is the same as if unbroken by such termination, however, if he does not redeposit all of the accumulated normal contributions previously withdrawn and not repaid he shall re-enter as a new member without credit for any previous service. Upon re-entering the retirement system after a termination of membership, the member's rate of contribution shall be based on age at the nearest birthday at the time of re-entrance into the system.

SEC. 2. Section 31780 of the Government Code is amended to read:

Manner of
payment of
death benefit

31780. Upon the death before retirement of a member while in service or while physically or mentally incapacitated for the performance of his duty, if such incapacity has been continuous from discontinuance of service, or within one month after discontinuance of service unless the member's accumulated contributions have been paid to him pursuant to Section 31628, the retirement system is liable for a death benefit which shall be paid:

(a) As provided in Section 31765 if the surviving spouse so elects, or

(b) As provided in Section 31765.1 if the surviving spouse so elects, or

(c) As provided in Section 31787 if that section applies, or

(d) If Section 31787 does not apply, to such person as he nominates by written designation duly executed and filed with the board, or

(e) If Section 31787 does not apply, and the member has not nominated a beneficiary, to his estate.

CHAPTER 372

An act to amend Sections 31468, 31527, 31553, 31554, 31648, 31651, 31760 of, and to repeal Sections 31469.5, 31553.5, and Article 8.5 consisting of Sections 31690 to 31692, inclusive, of, the Government Code, relating to retirement for county employees.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 31468 of the Government Code is amended to read:

31468. (a) "District" means a district, other than school "District" district, formed under the laws of the State, and required by law to deposit its funds in the county treasury.

(b) "District" also includes any institution operated by two or more counties, in one of which there has been adopted an ordinance placing this chapter in operation

(c) "District" also includes any organization or association authorized by Chapter 26, Statutes of 1935, as amended by Chapter 30, Statutes of 1941, or by Section 50024 of this code, which organization or association is maintained and supported entirely from funds derived from counties, and the board of any retirement system is authorized to receive the officers and employees of such organization or association into the retirement system managed by the board.

SEC. 2. Section 31469.5 of the Government Code is repealed. Repeal

SEC. 3. Section 31527 of the Government Code is amended to read:

31527. In its regulations, the board may include the follow- Permissive regulations
ing provisions:

(a) From what warrants deductions of members' contributions shall be made, if deducting the total contribution due from the first salary or wage warrant in any particular month would, because of sickness, leave of absence, or other cause, result in practical difficulty and unnecessary hardship to the member.

(b) For a period of time longer than one year during which a member may redeposit in the retirement fund an amount equal to that which he withdrew at the last termination of his membership, plus regular interest thereon from the date of return to service.

(c) For a period of time longer than one year during which a member brought within the field of membership may pay into the association the amount equal to the contributions he would have made plus interest, if he had been a member from the date of its organization, or from the date of his entrance into county service, whichever is later.

(d) For a withdrawal charge against a member who withdraws his accumulated contributions. The withdrawal charge

shall not exceed the interest credited to the member subsequent to the effective date of the regulation.

SEC. 4. Section 31553 of the Government Code is amended to read:

Elective
officers

31553. Elective officers become members of the retirement association on the first day of the calendar month following the filing of a declaration with the board to become a member.

SEC. 5. Section 31553.5 of the Government Code is repealed.

SEC. 6. Section 31554 of the Government Code is amended to read:

Officers and
attaches of
superior
court

31554. All officers and attaches of the superior court established within the county, except judges and participants in any other pension system, become members of the association on the first day of the calendar month after the board of supervisors adopts by four-fifths vote a resolution providing for their inclusion. Thereafter each person entering such employ becomes a member on the first day of the calendar month following his entrance into the service of the court.

In this section "officer or attache of the superior court" includes all commissioners, phonographic reporters who are paid salaries or per diems by the county and whose contributions are based upon such salaries or per diems, secretaries, stenographers, investigators, messengers, or other employees of the court.

SEC. 7. Section 31648 of the Government Code is amended to read:

Conditions
for prior
service credit

31648. If any officer or employee not previously included within the field of membership of the association is brought within the field of membership or if any elected official chooses to come within the field of membership subsequent to the establishment of the association, he shall not receive credit for service or for prior service unless he elects to and does pay into the association within one year thereafter, or within such longer time as is provided in the regulations of the board, and before an application for retirement is filed, an amount equal to the contributions he would have made if he had been a member of the association from the date of its organization, or from the date of his entry into county service, whichever is the later, together with regular interest thereon.

SEC. 8. Section 31651 of the Government Code is amended to read:

Current
contributions

31651. If the returning member files an election pursuant to Section 31649, the auditor or other officer charged with the duty of drawing salary or wage warrants shall deduct current contributions only from salary or wage warrants delivered 30 or more days after the filing of the election. Current contributions shall be calculated upon the basis of the age of the member upon his first entry into the retirement system plus one month for every month for which no contribution was deducted.

SEC. 9. Article 8.5, consisting of Sections 31690 to and including Section 31692, of the Government Code, is repealed. Repeal

SEC. 10. Section 31760 of the Government Code is amended to read:

31760. Until the first payment of any retirement allowance is made, a member or retired member, in lieu of the retirement allowance for his life alone, may elect to have the actuarial equivalent of his retirement allowance as of the date of retirement applied to a lesser retirement allowance payable throughout life in accordance with one of the optional settlements specified in this article. Elections by member

CHAPTER 373

An act to amend Section 31470.6 of, to add Section 31664.6 to, and to repeal Sections 31664.6 and 31678, of the Government Code, relating to retirement for county employees.

[Approved by Governor May 4, 1955. Filed with Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 31470.6 of the Government Code is amended to read:

31470.6. In cases of doubt as to whether a person is eligible to become or is or continues to be a safety member, the board shall decide. Eligibility of safety member

SEC. 1.5. Section 31664.6 of the Government Code is repealed. Repeal

SEC. 2. Section 31664.6 is added to the Government Code, to read:

31664.6. If a member retires with credit for time during which he was not a safety member or a member of a system established pursuant to either Chapter 4 or Chapter 5 of this part, he shall receive for such time: Time credit for other memberships

(a) A retirement allowance calculated pursuant to Section 31664 for time during which he was employed principally in active law enforcement or active fire suppression as described in Section 31470.2 or 31470.4 by a county, or by a district or court organized or existing within such county, or was a member of a system established pursuant to either Chapter 4 or Chapter 5 of this part, plus

(b) A retirement allowance calculated pursuant to Article 8 of this chapter for time during which he was not engaged principally in active law enforcement or active fire suppression as described in Section 31470.2 or 31470.4, nor a member of a system established pursuant to either Chapter 4 or Chapter 5 of this part.

SEC. 3. Section 31678 of the Government Code is repealed. Repeal

CHAPTER 374

An act to add Section 31452.5 to the Government Code, relating to retirement for county employees.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 31452.5 is added to the Government Code, to read:

31452.5. The board may comply with and give effect to a revokable written authorization signed by a retired member entitled to a retirement allowance or benefit under this chapter, authorizing the treasurer to deduct a specified amount from the retirement allowance or benefit payable to any such retired member for the purpose of paying premiums on any policy or certificate of group life insurance or group disability insurance issued by an admitted insurer, or for any prepaid group medical or hospital service plan, or both, approved by such board, for the benefit of such retired member or his dependents, and each month shall draw his order in favor of the insurer or institution named in said written authorization for an amount equal to the deductions so authorized and made during the month. The board may charge a reasonable fee for the making of such deductions and payments and such fees shall be deposited in the county fund from which salaries are paid.

CHAPTER 375

An act to amend Section 4151 of the Revenue and Taxation Code, relating to redemption of a portion of a parcel of tax-sold property.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4151 of the Revenue and Taxation Code is amended to read:

4151. Any person claiming an interest, evidenced by presentation of a duly executed and recorded deed, purchase contract, deed of trust, mortgage, or final decree of court, in any parcel of tax-sold or tax-deeded property which does not have a separate valuation on the roll for the year for which it became tax delinquent or any subsequent roll, and who is not the owner or contract purchaser of the entire parcel as assessed, may apply to the redemption officer to have the parcel separately valued in order that it may be redeemed under this chapter.

CHAPTER 376

An act to amend Sections 4101, 4105, 4106, 4710 and 4711 of, and to add Sections 4105.1 and 4105.2 to the Revenue and Taxation Code, relating to property taxation.

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4101 of the Revenue and Taxation Code is amended to read:

4101. Tax-sold property and, if the right of redemption has not been terminated, tax-deeded property may be redeemed until the right of redemption is terminated. Right to
redeem

SEC. 2. Section 4105 of the Revenue and Taxation Code is amended to read:

4105. Application to redeem shall be made to the redemption officer. Application

SEC. 3. Section 4105.1 is added to the Revenue and Taxation Code, to read:

4105.1. The redemption officer shall prepare an estimate of the amount necessary to redeem. Estimate

SEC. 4. Section 4105.2 is added to the Revenue and Taxation Code, to read:

4105.2. Upon redemption, the redemption officer shall issue certificates of redemption in the required number of copies which, with the approval of the Controller, shall show: Certificates
of re-
demption

- (a) The name of the assessee at the time of the sale.
- (b) The sale date and number.
- (c) A description of the property.
- (d) In detail, the amounts to be paid.
- (e) The name of the person making the payment.
- (f) The date of redemption.

SEC. 5. Section 4106 of the Revenue and Taxation Code is amended to read:

4106. Unless the redemption officer is the tax collector, the certificates, with the money, shall be delivered to the county treasurer, who shall receipt each certificate. Payment
and receipt

If the redemption officer is the tax collector, the money shall be delivered to him and he shall receipt each certificate.

In either case, one certificate shall be given to the person making payment; one, shall be transmitted to the Controller; and one, shall remain in the redemption officer's office.

Upon request of the assessor, the auditor or the recorder, an additional certificate shall be made. Unless the tax collector is the redemption officer, the redemption officer shall report the redemption to the tax collector.

SEC. 6. Section 4710 of the Revenue and Taxation Code is amended to read:

4710. After apportionment to the State of the amounts prescribed by Section 4656.2 of this code, amounts received Distribution
of amounts
received for
redemption

for the redemption of tax-sold or tax-deeded property shall be distributed as follows:

(a) Any amounts levied but not apportioned to funds at the time of levy in the manner authorized by this chapter and any penalties collected on such amounts shall be distributed to the funds for which levied as prescribed in Chapter 1 of this part.

(b) Any amounts which were apportioned to funds at the time of the levy in the manner authorized by this chapter shall be distributed to the tax resources accounts of the respective years of levy. The pro rata of redemption penalties or interest collected on assessment shall be prorated to the respective assessment funds and the balance of redemption penalties or interest together with delinquency penalties shall be apportioned to the tax losses reserve fund. The amounts of any assessments included in the redemption amount shall be transferred from the fund "uncollected assessment levies" to the proper assessment funds.

(c) Amounts collected as costs shall be distributed to the county general fund.

(d) Amounts collected as redemption fees shall be distributed to the State.

SEC. 7. Section 4711 of the Revenue and Taxation Code is amended to read:

Distribution
of proceeds
from sales

4711. After apportionment to the State of the amounts prescribed by Section 4671 of this code, the balance of the proceeds from the sale of property under the provisions of Part 6 of this division, as such amounts have been determined after settlement of claims of other participating taxing agencies, shall be distributed as follows:

(a) There shall first be determined the amount of taxes and assessments which would be included in an estimate of the cost to redeem on the date of the sale. The amount available for distribution shall be prorated on the basis of such taxes and assessments between the years for which levies were not apportioned to funds at the time of levy in the manner authorized by this chapter and the years for which levies were so apportioned.

(b) The amount determined for years for which levies were not apportioned to funds at the time of levy shall be prorated to funds on the basis of the actual levies.

(c) The amount determined for years for which levies were apportioned shall be prorated between the amount of tax levies and the amount of assessment levies. If the pro rata for tax levies is more than the actual levies the excess shall be distributed to the tax losses reserve fund, if less than the actual levies the deficit shall be charged to that fund. The amount of the actual levies shall be credited to the proper tax resources accounts.

(d) The pro rata of assessment levies as determined in paragraph (3) shall be credited to the proper tax resources accounts. At the same time the amount shall be distributed to the

proper assessment funds and charged to the uncollected assessment levies fund. If the amount so distributed is more than the actual assessment levies the excess shall be credited to the uncollected assessment levies fund and charged to the proper tax resources accounts; if less than the actual levies, the deficit shall be charged to the uncollected assessment levies fund and credited to the proper tax resources accounts.

CHAPTER 377

An act to amend Sections 3552.28, 3716, 3811 and to repeal Sections 3552.30, 3717 and 3812 of the Revenue and Taxation Code, relating to the filing of tax deed notices with the recorder.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3552.28 of the Revenue and Taxation Code is amended to read:

3552.28. On the execution of the deed to the administering agency the tax collector shall report the following within 10 days to the Controller, assessor, redemption officer:

Reports on
deeds to
administer-
ing agency

- (a) The name of the administering agency.
- (b) The date of the deed to the administering agency.
- (c) The amount for which the property was sold.
- (d) The description of the property conveyed.

SEC. 2. Section 3552.30 of the Revenue and Taxation Code is repealed.

Repeal

SEC. 3. Section 3716 of the Revenue and Taxation Code is amended to read:

3716. Within 10 days after the sale, the tax collector shall report to the assessor the following:

Report to
assessor
of sale

- (a) The name of the purchaser.
- (b) The date of sale and, if executed, of the deed to the purchaser.
- (c) The amount for which the property was sold.
- (d) The description of the property conveyed.
- (e) The numbers and dates of the certificate of sale to the State and of the deed to the State.

SEC. 4. Section 3717 of the Revenue and Taxation Code is repealed.

Repeal

SEC. 5. Section 3811 of the Revenue and Taxation Code is amended to read:

3811. On execution of the deed to the taxing agency and on receipt of a notice of resale of the property by the taxing agency the tax collector shall report the following within 10 days to the State Controller, assessor, redemption office and auditor:

Report to
Controller,
etc

- (a) The name of the purchaser.

(b) The date of the deed to the taxing agency, or in the event of resale the date of the deed by the taxing agency.

(c) The amount for which the property was sold or in the event of resale the net amount after deducting allowable expenses.

(d) The description of the property conveyed.

(e) The numbers and dates of certificate of sale to the State and of the deed to the State.

Repeal

SEC. 6. Section 3812 of the Revenue and Taxation Code is repealed.

CHAPTER 378

An act to amend Sections 3511 and 3514.5 of the Revenue and Taxation Code, relating to recordation of tax deeds.

In effect
September
7, 1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 3511 of the Revenue and Taxation Code is amended to read:

3511. Not less than 21 days nor more than 35 days after the first publication of the notice of deeding of tax-sold property and at least five years after the property was sold to the State, the tax collector shall, without charge, execute a deed in duplicate conveying the property to the State. The county clerk shall take acknowledgment of the deed without charge.

The making of a duplicate deed may be waived by the county recorder if the county has photostatic equipment for the purpose of recordation.

SEC. 2. Section 3514.5 of the Revenue and Taxation Code is amended to read:

3514.5. The other duplicate of the tax deed shall be retained by the county recorder and used as a printed form for the purpose of making a record in his office of the recorded tax deed. This duplicate is a printed form of deed within the meaning of Section 27230 of the Government Code. The recorder shall note on the duplicate retained in his office the filing number of the recorded tax deed, the exact time of its reception, together with a notation by the comparer that the record has been compared. The duplicate tax deed retained by the recorder, when properly indexed as provided in this section and placed in the proper record books, is recorded within the meaning of the law.

It is not necessary that the county recorder retain the duplicate deed if he has recorded the original deed by photostatic equipment.

CHAPTER 379

An act to amend Sections 3352, 3355, 3437, 3798.1, and 4839 of, and to add Section 4839.1 to, the Revenue and Taxation Code, relating to property taxation.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3352 of the Revenue and Taxation Code is amended to read:

3352. With the published delinquent list the tax collector shall publish a notice, specifying:

Publication
of notice
Form

(a) That unless the total amount due is paid the real property on which the total amount is a lien will be sold.

(b) The time and place at which the property will be sold to the State by operation of law.

SEC. 2. Section 3355 of the Revenue and Taxation Code is amended to read:

3355. The published notice of deeding to the State of tax-sold property shall show:

Contents of
notice of
deeding

(a) A list of descriptions of the property. The assessments contained in this notice of deeding shall be numbered in ascending numerical order.

(b) That five or more years will have elapsed on the date of the deed since the property was sold to the State.

(c) The year of sale to the State and the fiscal year for which the taxes were levied.

(d) That the property will be deeded to the State, unless sooner redeemed or an installment plan of redemption is initiated.

(e) The time at which the property will be deeded to the State, which shall not be less than 21 days after the first publication.

(f) That the amount for which the deed will be issued will be the total amount due for which it was sold to the State.

(g) The amount for which the property is to be deeded, opposite the description of the property.

(h) That if the property is deeded to the State, the right of redemption will terminate upon any subsequent sale by the State.

(i) The date of the notice.

(j) The official who will furnish all information concerning redemption.

SEC. 3. Section 3437 of the Revenue and Taxation Code is amended to read:

3437. The amount due on any property in the published delinquent list may be paid until the time of sale if it was separately valued on the secured roll.

Payment of
tax prior
to sale

SEC. 4. Section 3798.1 of the Revenue and Taxation Code is amended to read:

When publication in newspaper not required

3798.1. If in the judgment of the board of supervisors any property to be sold under this chapter would bring at auction less than the cost of publication in a newspaper, the publication may be made in the same manner as if there were no newspaper published in the county.

SEC. 5. Section 4839 of the Revenue and Taxation Code is amended to read:

New or amended certificate of sale or deed

4839. The tax collector may correct a clerical error or misstatement of fact in a certificate of sale to the State or a deed to the State by issuing a new or amended certificate of sale or deed to the State. The new or amended certificate of sale or deed shall contain a statement of reasons for its issuance and, as far as practicable, shall be the same as the original except where corrected.

SEC. 6. Section 4839.1 is added to the Revenue and Taxation Code, to read:

Erroneous sales or deeds

4839.1. If tax-sold property has been erroneously resold to the State, or tax-deeded property has been erroneously resold or redeeded to the State, the erroneous sale or deed may be canceled on the order of the board of supervisors.

CHAPTER 380

An act to amend Section 2921 of, and to add Section 3005 to, the Revenue and Taxation Code, relating to taxes on unsecured property.

In effect
September 7
1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2921 of the Revenue and Taxation Code is amended to read:

2921. Property shall not be seized and sold for taxes on the unsecured roll after three assessment years succeeding the date upon which the taxes became a lien.

SEC. 2. Section 3005 is added to the Revenue and Taxation Code, to read:

3005. When a civil action is brought by the assessor or tax collector to recover delinquent unsecured property taxes, the sheriff, marshal, or constable shall specify, when the summons or process is returned, the costs which he would ordinarily be entitled to for such service and such costs shall be made a part of any judgment recovered by the assessor or tax collector and on payment or satisfaction of the judgment such costs shall be deposited in the county general fund.

CHAPTER 381

An act to repeal Sections 133, 3515.5, Article 3 consisting of Sections 4256 to 4263 inclusive, and Article 4 consisting of Sections 4296 to 4306 inclusive of, and Section 4339 of the Revenue and Taxation Code, relating to property taxes.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. Section 133 of the Revenue and Taxation Code is repealed.

SEC. 2. Section 3515.5 of the Revenue and Taxation Code is repealed.

SEC. 3. Article 3 consisting of Sections 4256 to 4263 inclusive of the Revenue and Taxation Code is repealed.

SEC. 4. Article 4 consisting of Sections 4296 to 4306 inclusive of the Revenue and Taxation Code is repealed.

SEC. 5. Section 4339 of the Revenue and Taxation Code is repealed.

CHAPTER 382

An act to validate certain acts of taxing agencies and revenue districts and of their officers, relating to property taxation.

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. As used in this act "taxing agency" includes the State, county, and city. "Taxing agency" also includes every district that assesses property for taxation purposes and levies taxes or assessments on the property so assessed. "Taxing agency"

SEC. 2. As used in this act "revenue district" includes every city and district for which the county officers assess property and collect taxes or assessments. "Revenue district"

SEC. 3. Every act and proceeding heretofore taken by any taxing agency or revenue district or the officers thereof relative to the preparation, transmitting, computing, determining or fixing the budget or the tax rate or rates of any taxing agency or revenue district, or to the assessment or equalization of property or to the levy of taxes thereon or to tax sales or certificates of tax sales, tax deeds or other conveyances, are hereby confirmed, validated and declared legally effective. Valid, confirmed, etc., acts

SEC. 4. (a) This act is limited to the correction of defects, irregularities and ministerial errors which the Legislature originally could have omitted from the statutory requirements of law under which the acts hereby confirmed, validated and declared legally effective were taken. Limitations

(b) This act is limited to the validation of acts and proceedings to the extent to which the same can be effectuated under the State and Federal Constitutions.

(c) This act shall not operate to confirm, validate, or legalize any act, proceeding, or other matter the legality of which is being contested or inquired into in any legal proceeding now pending and undetermined or which may be pending and undetermined during the period of 30 days from and after the effective date of this act, and shall not operate to confirm, validate, or legalize any act, proceeding, or other matter which has heretofore been determined in any legal proceeding to be illegal, void or ineffective.

Severability

SEC. 5. If any provision of this act or its application to any person or circumstances is held invalid, the remainder of the act and the application of its provisions to other persons or circumstances is not affected.

CHAPTER 383

An act to amend Section 15402 of the Revenue and Taxation Code, relating to exclusions from exemption under the gift tax.

In effect
September 7,
1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 15402 of the Revenue and Taxation Code is amended to read as follows:

15402. Neither of the following is within the exemption allowed by this article:

(a) A future interest in property; provided, that no part of a gift to an individual who has not attained the age of 21 years on the date of such transfer shall be considered a gift of a future interest in property for the purposes of this subsection if the property and the income therefrom may be expended by, or for the benefit of, the donee before his attaining the age of 21 years, and will to the extent not so expended pass to the donee on his attaining the age of 21 years, and in the event the donee dies before attaining the age of 21 years, be payable to the estate of the donee or as he may appoint under an unlimited power of appointment.

(b) Where the separate property of a wife is transferred by agreement into the community property of herself and her husband, and upon her death and survival by her husband the entire community property which passes to her husband is not subject to Part 8 of this division, the one-half of the separate property transferred which is subject to this part as a gift from the wife to her surviving husband at the time of her death.

CHAPTER 384

An act to amend Sections 2510, 2609, 2702 and 2807.3 of the Revenue and Taxation Code, relating to property taxation.

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. Section 2510 of the Revenue and Taxation Code is amended to read:

2510. When a cancellation is made, the officer making it shall record it on the record where the notation of payment was made. He shall immediately send a notice to the person who attempted payment by the negotiable paper of the cancellation of the payment.

Record and
notice of
nonpayment

The validity of any tax, assessment, license, or penalties is not affected by failure or irregularity in giving the notice.

SEC. 2. Section 2609 of the Revenue and Taxation Code is amended to read:

2609. On or before the day when taxes are payable the tax collector shall publish a notice specifying:

Publication
of notice

(a) The dates when taxes on the secured roll will be due.

(b) The times when these taxes will be delinquent.

(c) The penalties and costs for delinquency.

(d) That all taxes may be paid when the first installment is due.

(e) The times and places at which payment of taxes may be made.

SEC. 3. Section 2702 of the Revenue and Taxation Code is amended to read:

2702. The second half of taxes on real and personal property on the secured roll is due February 1st.

Second in-
stallment
Due date

SEC. 4. Section 2807.3 of the Revenue and Taxation Code is amended to read:

2807.3. No separate valuation shall be made under this chapter dividing any piece of property separately assessed into more than 10 parcels. Neither shall any parcel be separated or separately assessed under the preceding sections if the entire assessment has been sold to the State for taxes unless the parcel to be separated or separately assessed has been redeemed or the delinquent taxes are being paid in installments.

Separate
valuation and
assessment
Limitations

CHAPTER 385

An act to add Section 3791.3 to the Revenue and Taxation Code, relating to property tax deeds to public agencies.

[Approved by Governor May 4, 1955 Filed with
Secretary of State May 5, 1955]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. Section 3791.3 is added to the Revenue and Taxation Code, to read:

3791.3. Whenever property has been deeded to the State for taxes, whether or not the property is subject to or has been sold or deeded for taxes to a taxing agency other than the State, the State, county, or any revenue district the taxes of which on the property are collected by county officers may purchase the property or any part thereof, including any right of way or other easement, pursuant to this chapter.

SEC. 2. The addition of Section 3791.3 to the Revenue and Taxation Code by Section 1 of this act does not constitute a change in, but is declaratory of, the existing law.

CHAPTER 386

An act to amend Section 6462 of the Streets and Highways Code, relating to improvement bonds.

In effect
September 7,
1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6462 of the Streets and Highways Code is amended to read:

6462. The bonds shall extend over a period not exceeding 24 years from the second day of January next succeeding the next October 15th following their date.

CHAPTER 387

An act to amend Section 8651 of the Streets and Highways Code, relating to improvement bonds.

In effect
September 7,
1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 8651 of the Streets and Highways Code is amended to read:

8651. The final series of installment of the bonds shall mature and be payable on a date which shall not exceed 24 years from the second day of July next succeeding 10 months from their date.

CHAPTER 388

An act to add Chapter 5b to Division 6 of the Agricultural Code, relating to grain and seed cleaners.

In effect
September 7,
1955

[Approved by Governor May 4, 1955. Filed with
Secretary of State May 5, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 5b is added to Division 6 of the Agricultural Code, to read:

CHAPTER 5b. GRAIN AND SEED CLEANERS

1260.9. As used in this chapter:

(a) "Grain and seed cleaner" means a person lawfully engaged in the business of cleaning grain and seeds for others.

(b) "Grain and seed" includes grain, seeds, rice, beans and other agricultural products customarily cleaned by grain and seed cleaners.

1260.91. Whenever the owner delivers grain and seed to a grain and seed cleaner for cleaning, and desires to have the cleanings therefrom kept for him, he shall make written request to the grain and seed cleaner to segregate and hold all cleanings resulting from the cleaning of the grain and seeds. If a request is made, the cleaner shall sack or otherwise segregate such cleanings and give written notice to the owner when the cleaning is completed, and if the cleanings are not removed from the cleaning plant within five days after the mailing of the written notification to the owner or five days from the date of receiving authorization to move the cleanings if such authorization is required by Section 154.3, the grain and seed cleaner may dispose of the cleanings in such manner as is provided by law. If no disposition thereof is provided for by law the grain and seed cleaner may dispose of the cleanings by sale or otherwise and shall pay the grower the net receipts received from such sale after deducting reasonable expenses of the sale and satisfying any claims he may have against such cleanings.

CHAPTER 389

An act to add Section 1418 to the Fish and Game Code, relating to hunting and fishing rights of California Indians.

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 5, 1955.]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. Section 1418 is added to the Fish and Game Code, to read:

1418. Irrespective of any other provision of law, the provisions of this code are not applicable to California Indians, whose names are inscribed upon the tribal rolls, under those circumstances and in those places in this State where such laws were not applicable to them immediately prior to the effective date of Public Law 280, Chapter 505, First Session, 1953, Eighty-third Congress of the United States. No such Indian shall be prosecuted for violation of any provision of this code occurring in the places and under the circumstances hereinabove referred to; provided, however, that nothing in this section shall prohibit or restrict the prosecution of any Indian for the violation of any provision of this code prohibiting the sale of any bird, mammal, fish, mollusk or crustacean.

CHAPTER 390

An act to amend Section 1504 of the Government Code, relating to personal liability for negligence of deputies or employees.

In effect
September 7,
1955

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1504 of the Government Code is amended to read:

1504. Every official bond executed by any officer pursuant to law is in force and obligatory upon the principal and sureties therein for:

(a) Any and all breaches of the conditions thereof committed during the time such officer continues to discharge any of the duties of or hold the office, and whether such breaches are committed or suffered by the principal officer, his deputy, or clerk except that no officer of a county, city, or city and county, whose sole compensation by virtue of his office is a fixed salary established by the Legislature, the local governing body, or the board of supervisors, shall be personally liable for the negligent act or omission of any deputy or employee serving under him and performing the duties of his office, where the appointment or qualification of such deputy or employee is required to be and has been approved by the local governing body or the board of supervisors, or by the civil service commission, unless the officer failed to exercise due care in the selection appointment or supervision of such deputy or employee, or negligently failed to suspend or secure the discharge of such deputy or employee after knowledge or notice of his inefficiency or incompetency.

Nothing in this section shall be interpreted as placing any liability upon the principal officer for the act of a deputy or employee unless such liability is otherwise imposed upon the principal officer by law, nor shall this section be construed or interpreted as releasing or relieving any such county, city, or city and county of any liability for the negligent act or omission of any such deputy or employee otherwise imposed by law.

(b) The faithful discharge of all duties which may be required of such officer by any law enacted subsequently to the execution of the bond.

CHAPTER 391

An act to amend Section 2700 of the Penal Code, relating to forfeited earnings of prisoners.

In effect
September 7,
1955

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2700 of the Penal Code is amended to read:

2700. The Department of Correction shall require of every able-bodied prisoner imprisoned in any state prison as many hours of faithful labor in each day and every day during his term of imprisonment as shall be prescribed by the rules and regulations of the Director of Corrections.

Each prisoner, who is engaged in productive work in any state prison or institution under the jurisdiction of the Department of Corrections as a part of the prison work program, may receive for his work such compensation as the Director of Corrections with the approval of the Department of Finance shall determine. Such compensation shall be in accordance with a graduated schedule based on quantity and quality of work performed and skill required for its performance, but in no event shall such compensation exceed ten cents (\$0.10) per hour. Said compensation shall be credited to the account of the prisoner.

Said compensation shall be paid from the Correctional Industries Revolving Fund. Whenever by any statute a price is required to be fixed for any article, material, supply or services to be produced, manufactured, supplied or performed in connection with the work program of the Department of Corrections, the compensation paid to prisoners shall be included as an item of cost in fixing the final statutory price.

Prisoners not engaged on work programs under the jurisdiction of the Correctional Industries Commission and financed out of the Correctional Industries Revolving Fund, but who are engaged in productive labor outside of such programs may be compensated in like manner. The compensation of such prisoners shall be paid either out of funds appropriated by the Legislature for that purpose or out of such other funds available to the Department of Corrections for expenditure, as the Director of Finance may direct.

When any prisoner escapes, the Director shall determine what portion of his earnings shall be forfeited and such forfeiture shall be deposited in the State Treasury in a fund known as the Inmate Welfare Fund of the Department of Corrections.

Nothing in this section or in Section 3323 of this code is intended to restore, in whole or in part, the civil rights of any prisoner. No prisoner compensated under this section or Section 3323 shall be considered as an employee or to be employed by the State or the Department of Corrections, nor shall any such prisoner come within any of the provisions of the Workmen's Compensation Insurance and Safety Act of 1917, now codified as Division 4 and Division 5 of the Labor Code, or be entitled to any benefits thereunder whether on behalf of himself or of any other person.

CHAPTER 392

An act to amend Sections 1 and 2 of the Solano County Flood Control and Water Conservation District Act (Chapter 1656 of the Statutes of 1951), relating to the Solano County Flood Control and Water Conservation District.

In effect
September 7,
1955

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955]

The people of the State of California do enact as follows:

- SECTION 1.** Section 1 of the Solano County Flood Control and Water Conservation District Act is amended to read:
- Creation** Section 1. A district is hereby created to be known and designated as the "Solano County Flood Control and Water Conservation District," and the boundaries and territory of said district are as follows: all of the territory within the County of Solano lying within the exterior boundaries thereof, the Davis Campus of the University of California, and such of the territory of any member unit lying outside the exterior boundaries of the County of Solano.
- Boundaries**
- SEC. 2.** Section 2 of said act is amended to read:
- Definitions** Sec. 2. As used in this act, the following words shall have the following respective meanings except by the context otherwise indicated:
- (a) "The district" shall mean the Solano County Flood Control and Water Conservation District;
 - (b) "The county" shall mean the County of Solano, State of California;
 - (c) "United States" shall include the United States of America and all bureaus, commissions, divisions, departments, boards, agencies and officers of the United States of America.
 - (d) "State of California" shall include the State of California and all bureaus, commissions, divisions, departments, boards, agencies and officers of the State of California;
 - (e) "Work" or "works" shall include dams and dam sites, all reservoirs and reservoir sites, and all conduits and other facilities useful in the control, conservation, diversion and transmission of surface waters, and all land, property, franchises, easements, rights of way and privileges necessary or useful to operate or maintain any of the foregoing;
 - (f) "Member unit" shall mean any county water district, reclamation district, irrigation district, water conservation district, municipality, flood control district and other district or political subdivision of the State empowered by law to appropriate water and to deliver to water users, the territory of which lies entirely within the exterior boundaries of the County of Solano and any city located outside the County of Solano, which is contiguous to the County of Solano, which member unit may enter into a contract with the district for (I) the repayment in whole or part to the district or any other person, corporation, public district, State of California, or the United

States, of any or all of the construction costs of any works constructed by or on behalf of the district, or for (II) the underwriting in whole or part of any or all of such construction costs, or for (III) the repayment in whole or in part to the district or any other person, corporation, public district, State of California or the United States of any or all of the cost of furnishing water or a water supply to the district or the underwriting in whole or in part of such cost, or for (IV) the payment in whole or in part for water to be furnished or sold to such district by the district or the United States.

(g) "Elector" or "qualified elector" or "voter" or "qualified voter" shall mean any elector of the county qualified under the laws of the State of California to vote in the county at general elections;

(h) "May" is permissive and "shall" is mandatory.

CHAPTER 393

An act to amend Section 395.1 of the Military and Veterans Code, relating to the return and re-entry to public employment after termination of military service, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 395.1 of the Military and Veterans Code is amended to read:

395.1. (a) Notwithstanding any other provision of law to the contrary, any public officer, deputy, assistant, or employee of the State, or of any city, county, city and county, school district, water district, irrigation district, or any other district, political corporation, political subdivision, or governmental agency thereof who, in time of war or national emergency as proclaimed by the President or Congress, or when any of the armed forces of the United States are serving outside of the United States or their territories pursuant to order or request of the United Nations, or while any national conscription act is in effect, leaves or has left his office or position prior to the end of the war, or the termination of the national emergency or during the effective period of any such order or request of the United Nations or prior to the expiration of the National Conscription Act, to join the armed forces of the United States and who does or did without unreasonable and unnecessary delay join the armed forces or, being a member of any reserve force or corps of any of the armed forces of the United States or of the militia of this State, is or was ordered to duty therewith by competent military authority and served or serves in compliance with such orders, shall have a right, if released, separated or discharged under

Public
employees.
Return to
office or
employment

conditions other than dishonorable, to return to and re-enter upon the office or position within three months after the termination of his active service with the armed forces, but not later than six months after the end of the war or national emergency or military or police operations under the United Nations or after the Governor finds and proclaims that, for the purposes of this section, the war, national emergency, or United Nations military or police operation no longer exists, or after the expiration of the National Conscription Act, if the term for which he was elected or appointed has not ended during his absence; provided, that such right to return to and re-enter upon the office or position shall not extend to or be granted to such public officer, deputy, assistant, or employee of the State, or of any city, county, city and county, school district, water district, irrigation district or any other district, political corporation, political subdivision or governmental agency thereof, who voluntarily requests an extension of his original term of enlistment, service, or tour of duty with the armed forces of the United States or of the militia of this State. He shall also have a right to return to and re-enter upon the office or position during terminal leave from the armed forces and prior to discharge, separation or release therefrom.

Rights and
privileges

(b) Upon such return and re-entry to the office or employment the officer or employee shall have all of the rights and privileges in, connected with, or arising out of the office or employment which he would have enjoyed if he had not been absent therefrom; provided, however, such officer or employee shall not be entitled to sick leave, vacation or salary for the period during which he was on leave from such governmental service and in the service of the armed forces of the United States.

If the office or position has been abolished or otherwise has ceased to exist during his absence, he shall be reinstated in a position of like seniority, status and pay if such position exists, or to a comparable vacant position for which he is qualified.

Discharge of
returnee

(c) Any officer or employee other than a probationer who is restored to his office or employment pursuant to this act shall not be discharged from such office or position without cause within one year after such restoration, and shall be entitled to participate in insurance or other benefits offered by the employing governmental agency pursuant to established rules and practices relating to such officers or employees on furlough or leave of absence in effect at the time such officer or employee left his office or position to join the armed forces of the United States.

Urgency

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The proper functioning of the California National Guard is an important and integral part of the defense preparations of the State. The international situation requires immediate changes in administrative organization, procedures, rules and regulations, property and fiscal matters which control the California National Guard. It is imperative that during the present emergency adequate provisions be immediately made concerning the use, operation and control of the state military forces.

CHAPTER 394

An act to amend Section 12024.5 of the Business and Professions Code, relating to sale of certain foods by weight.

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. Section 12024.5 of the Business and Professions Code is amended to read:

12024.5. It shall be unlawful for any person to sell or advertise for sale in retail stores for consumer use any dressed poultry or any other fowl or rabbits in dressed form, or smoked, fresh, frozen or pickled meats or fish other than by weight determined at time of sale on a scale or a beam properly sealed in accordance with the provisions of this division; provided, however, that any commodity specified in this section need not be weighed at time of sale when sold in the wrapper or container in which it was received by the retailer or into which it was packed and on which appears the net weight of the commodity therein as marked by the manufacturer, processor, packer, wholesaler, or jobber.

CHAPTER 395

An act to amend Sections 54425 and 54515 of the Government Code, relating to revenue bonds, the apportionment of maintenance and operation costs from revenues, and the sufficiency of charges to pay required amounts.

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. Section 54425 of the Government Code is amended to read:

54425. If the interest and principal of the bonds and all charges to protect or secure them are paid when due an amount for the necessary and reasonable maintenance and operation costs of the enterprise, which costs include the

Operating
costs

reasonable expenses of management, repair and other expenses necessary to maintain and preserve the enterprise in good repair and working order, may be apportioned from the revenues, and subject to any limiting covenants in the resolution providing for the issuance of bonds, the remaining surplus may be used for any lawful purpose of the local agency.

SEC. 2. Section 54515 of said code is amended to read:

Amount of
charges

54515. After making allowances for contingencies and error in the estimates, the charges, together with any other funds which under this chapter can legally be, and which are, pledged or otherwise made available for the respective purposes hereinafter set forth, shall be at least sufficient to pay the following amounts in the order set forth:

(a) The interest on and principal of the bonds as they become due and payable.

(b) All payments required for compliance with the resolution authorizing the issuance of the bonds or any other contract with the bondholders, including the creation of sinking and reserve funds.

(c) All payments to meet any other obligations of the local agency which are charges, liens, or encumbrances upon, or payable from, the revenues of the enterprise.

(d) All current expenses of maintenance and operation of the enterprise, except that if the legislative body provides in the resolution calling the election that maintenance and operation costs of the enterprise shall be paid from the revenues prior to the principal, interest and sums for other security funds, then the current expenses of such maintenance and operation shall precede any other payments provided in this section.

CHAPTER 396

An act to amend Section 37506 of the Water Code, relating to California Water Districts, and declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 37506 of the Water Code is amended to read:

37506. No land shall be included within a district unless the board after an inclusion hearing determines that it can be irrigated by means of some of the works of the district or by means of practicable works connecting therewith or by means of existing works proposed to be acquired by the district or practicable works connecting therewith and will be benefited by the irrigation.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The demands of an ever increasing population require the rapid development of the water and power resources of this State. It is necessary that existing districts expand their boundaries and include additional lands, thereby bringing the benefit of irrigation through districts to a greater area. In a number of instances the lands to be included cannot be irrigated by existing works of the district but can be irrigated by proposed works of the district. It is necessary for the welfare of the State that this process of enlarging boundaries of such districts proceed at the earliest possible date.

CHAPTER 397

An act to amend Section 5075 of the Penal Code, relating to membership of the Adult Authority.

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. Section 5075 of the Penal Code is amended to read:

5075. The Adult Authority shall be composed of six members, each of whom shall be appointed by the Governor, with the advice and consent of the Senate, for a term of four years and until the appointment and qualification of his successor. Members shall be eligible for reappointment.

The Chairman of the Adult Authority shall be designated by the Governor from time to time.

The terms of the members shall expire as follows: One on March 15, 1952, two on March 15, 1953, two on March 15, 1955, and one on March 15, 1956. Their successors shall hold office for terms of four years, each term to commence on the expiration date of the term of the predecessor. The Governor shall fill every vacancy for the balance of the unexpired term.

Persons appointed to the Adult Authority shall have a broad background in and ability for appraisal of law offenders and the circumstances of the offense for which convicted. Insofar as practicable members shall be selected who have a varied and sympathetic interest in corrections work including persons widely experienced in the fields of corrections, sociology, law, law enforcement, and education.

CHAPTER 398

An act to amend Section 45 of the Vehicle Code, relating to implements of husbandry.

In effect
September 7,
1955

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 45 of the Vehicle Code is amended to read:

45. "Implement of Husbandry." An "implement of husbandry" is a vehicle which is used exclusively in the conduct of agricultural operations.

An implement of husbandry does not include a vehicle which is designed primarily for the transportation of persons or property on a highway, unless specifically designated as such by some other provision of this code.

CHAPTER 399

An act to amend Sections 1736, 2071, and 2073 of the Harbors and Navigation Code, relating to the Board of State Harbor Commissioners for San Francisco Harbor.

In effect
September 7,
1955

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1736 of the Harbors and Navigation Code is amended to read:

Duties of
chief
wharfinger

1736. The chief wharfinger shall execute and enforce the rules and regulations which may be established by the board pursuant to the provisions of this part. All pilots, masters of tugboats, masters, owners, and consignees of vessels, shall obey all lawful orders and directions of the chief wharfinger in relation to the stationing, anchoring, and removal of vessels pursuant to such rules and regulations. The chief wharfinger may determine cases of collision, by consent of all parties interested, and where damages do not exceed three hundred dollars (\$300) his decision is final.

SEC. 2. Section 2071 of said code is amended to read:

Lease of
seawall
lots

2071. The board may lease any portion of seawall lots, numbered one, two, three, four, five, six, seven, eight, nine, ten, eleven, twelve, thirteen, fourteen, fifteen, sixteen, seventeen, eighteen, nineteen, twenty, twenty-one, twenty-two, twenty-three, twenty-four, twenty-five, twenty-six, twenty-seven, twenty-nine, thirty, 347, 348, 349, 350, "a," "b," "c," "d," and any portion of those certain lands described as follows, to wit:

Beginning at a point on the easterly line of Third Street distant thereon one hundred sixty feet southerly from the southerly line of Islais Street; thence running easterly parallel with Islais Street three thousand one hundred thirty-seven and nineteen hundredths feet more or less to the inner line of the Embarcadero; thence southeasterly along the inner line of the Embarcadero three thousand two hundred thirty-five and eighty-eight hundredths feet more or less to its intersection with the northerly line of India Street on the northerly side of India Basin; thence running westerly along the said northerly line of India Street one thousand seven hundred two and eight hundredths feet more or less to the northeasterly line of Arthur Avenue extended southeasterly across Third Street; thence along the last described line northwesterly four thousand one hundred fifty-two and thirty-four hundredths feet more or less to the easterly line of Third Street; thence northerly along the easterly line of Third Street fifty-nine and forty-two hundredths feet more or less to the point of beginning, and such portions of that certain land described as follows, to wit: Beginning at a point on the northerly line of Seventeenth Street produced easterly and located eighty feet easterly from the westerly line of Illinois Street; running thence easterly along said northerly line of Seventeenth Street produced, a distance of four hundred fifty-eight and three one-hundredths feet; thence southerly six hundred twenty-one and fifty-three one-hundredths feet to a point located three hundred eighty-five feet easterly from the westerly line of Illinois Street; running thence southerly to a point on the southerly line of Eighteenth Street produced easterly, located two hundred and sixty feet easterly from the westerly line of Illinois Street; running thence westerly along the southerly line of Eighteenth Street produced to a point located eighty feet easterly from the westerly line of Illinois Street; running thence northerly parallel to the westerly line of Illinois Street to the place of beginning; and beginning at a point on the southerly line of Jackson Street distant one hundred thirty-seven and fifty hundredths feet (137.50 ft.) easterly from the southeasterly corner of Drumm and Jackson Streets; running thence easterly along the southerly line of Jackson Street produced a distance of one hundred thirty feet (130 ft.); thence sixty-three degrees, twenty-nine minutes and thirty seconds ($63^{\circ} 29' 30''$) to the right, a distance of one hundred thirty-four and ten hundredths feet (134.10 ft.) southeasterly to a point on the northerly line of Oregon Street produced; thence one hundred sixteen degrees, thirty minutes and thirty seconds ($116^{\circ} 30' 30''$) to the right, a distance of one hundred thirty feet (130 ft.) westerly along the northerly line of Oregon Street produced; thence fifty-four degrees, fourteen minutes ($54^{\circ} 14'$) to the right, a distance of one hundred two and forty-one hundredths feet (102.41 ft.) northwesterly; thence thirty-five degrees forty-six minutes ($35^{\circ} 46'$) to the right,

a distance of thirty-six and ninety-one hundredths feet (36.91 ft.) to the point of beginning.

SEC. 3. Section 2073 of said code is amended to read:

Bids

2073. The bids shall set forth the purposes for which the property will be used, and this statement of purposes shall be embodied in every lease given by the board, with the condition that the property or lot shall be used for these purposes only. The board may reject any and all bids, and in no event shall a lease be made for a term exceeding 40 years.

CHAPTER 400

An act to add Section 450.2 to the Fish and Game Code, relating to fish and game.

In effect
September 7,
1955

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 450.2 is added to the Fish and Game Code, to read:

450.2. The court before whom any person has been convicted of trespassing under Section 602 or 627 of the Penal Code shall, in addition to any other fine or forfeiture imposed, confiscate any game taken while trespassing and shall dispose of such game to a charitable institution or cause it to be destroyed if unfit for human consumption.

CHAPTER 401

An act to amend Section 3131 of the Harbors and Navigation Code, relating to the Board of State Harbor Commissioners for San Francisco Harbor.

In effect
September 7,
1955

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 3131 of the Harbors and Navigation Code is amended to read:

3131. The thoroughfare shall have a roadway of 180 feet, and a sidewalk on its inner side of 20 feet in width, except that the board may maintain thereon State Belt Railroad tracks in the manner and to the extent deemed by the board to be in the best interests of vehicular and railroad traffic and in this connection the board may remove paving, erect barriers and perform such other acts as may prohibit the movement of vehicular and pedestrian traffic over and along the railroad tracks. The roadway shall be constructed and kept in repair by the board.

The sidewalk shall be constructed and kept in repair in the manner provided by law for the construction and repair of sidewalks on other streets of San Francisco.

CHAPTER 402

An act to add Sections 8967, 8967.5, 8968, 8968.5, and 8969 of the Health and Safety Code, relating to dedication of property of public cemetery districts.

[Approved by Governor May 5, 1955. Filed with Secretary of State May 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8967 is added to the Health and Safety Code, to read:

8967. The trustees may dedicate to the State of California, or any political subdivision or municipal corporation thereof, for public street or highway purposes, either with or without consideration, any real property belonging to the district in which no burial lots have as yet been either sold or leased and which real property is not then needed by the district; and may dedicate to the State, or any political subdivision or municipal corporation thereof, either with or without consideration, an easement to lay, construct, maintain, or operate irrigation, sewer, or storm drain pipes or ditches over and upon any real property belonging to the district in which no burial lots have as yet been either sold or leased and which real property is not then needed by the district.

Dedication
to State,
etc. Streets,
easements,
etc

SEC. 2. Section 8967.5 is added to said code, to read:

8967.5. Before ordering the dedication of any property, the trustees shall in a regular open meeting by a two-thirds vote of all its members adopt a resolution declaring its intention to dedicate the property or easement. The resolution shall describe the property proposed to be dedicated and shall fix a time not less than 10 days thereafter for a public hearing of the trustees to be held at its regular place of meeting upon the question of making the dedication.

Resolution
of intention

SEC. 3. Section 8968 is added to said code, to read:

8968. Notice of the adoption of the resolution and of the time and place of holding the hearing shall be given by posting copies of the resolution signed by the members of the board of trustees or by a majority thereof, in three public places in the district not less than 10 days before the date of the hearing, and by publishing the notice once not less than five days before the date of the hearing in a newspaper of general circulation published in the county in which the district or any part thereof is situated and having a general circulation in the district.

Notice

SEC. 4. Section 8968.5 is added to said code, to read:

Hearing

8968.5. The trustees shall hold the hearing at the time and place fixed in the resolution, and the board of trustees may at the hearing, or at any meeting of the board of trustees held within 60 days thereafter, unless a protest is entered as provided in Section 8969, adopt a resolution by a two-thirds vote of all its members authorizing and directing either the president, any other presiding officer, the secretary, or the members of the board of trustees to execute a deed of dedication of the property and to deliver it. Upon the delivery and acceptance of the deed, the dedication or conveyance is fully effective.

SEC. 5. Section 8969 is added to said code, to read:

Protest

8969. If a written protest is filed with the trustees by 10 percent of the qualified electors of the district, as shown by the affidavit of one of the petitioners, prior to the time fixed for the hearing, no further proceedings shall be taken on the proposed dedication.

CHAPTER 403

An act to amend Sections 799, 802, and 802.3 of the Agricultural Code, relating to grapes.

In effect
September
7, 1955

[Approved by Governor May 5, 1955 Filed with
Secretary of State May 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 799 of the Agricultural Code is amended to read:

Grapes

799. There are two standards for grapes. All grapes of the varieties in Group A shall be considered table grapes and all other varieties juice grapes. Grapes of all varieties must at least meet the standard for juice grapes. The following varieties of grapes and other similar varieties are in Group A.

GROUP A

Group A—
Table Grapes

(White)

Almeria	Khandahar
Aspiran Blanc	Ladyfinger
Bicane	Malaga
Chasselas de Fontainebleau	Ohanez
Chasselas Napoleon	Olivette Blanche
Cornichon Blanc	Olivette de Vendemain
Crystal	Perlette
Dattier de Beyrouth	Persian 23
Delight	Pizzutello di Roma
Dizmar	Rish Baba
Golden Queen	Rosaki
Italia (Italian Muscat)	Thompson Seedless
Khalili	

(Red)

Angelino	Maraville de Malaga
Cardinal	Molinera Gorda
Catawba	Pink Thompson Seedless
Flame Tokay	Piment
Hunisa	Queen
Chasselas Rose	Sultanina Rose
Emperor	Tokay
Red Malaga	Zabalkanski
Rose de Falloux	Zabalkanskoï

(Black)

Black Corinth	Black Monukka
Black Ferrara	Black Morocco
Black Hamburg	Muscat Albaridiens
Blackrose	Black Prince
Black Zante	Muscat Hamburg
Bleu Grau	Olivette Noir
California Concord	Panariti
Concord	Pierce
Corinthe Noir	Pierce Isabella
Cornichon	Pizzutello Nero
Danugue	Prune de Cazouls
Drodelabi	Purple Damascus
Frankenthal	Rose of Peru
Fresno Beauty	Ribier
Gros Colman	Servian Blue
Gros Guillaume	Snow's Muscat Hamburg
Isabella	Zante Currant
Isabella Regia	

SEC. 2. Section 802 of said code is amended to read:

802. As applied to grapes:

(a) "Mature" means that each bunch of the varieties classi- ^{Maturity}
fied above in Group A shall test not less than 17 percent solu-
ble solids in juice, as determined by the Balling or Brix scale
hydrometer; however, in view of differences in climatic condi-
tions prevailing north and west of San Gorgonio Pass, which
results in the Thompson Seedless and Malaga varieties of
grapes grown in that area having, at maturity, a higher per-
centage of soluble solids than mature grapes of these varieties
grown in the area south and east of San Gorgonio Pass,
Thompson Seedless and Malaga grapes produced in the area
north and west of San Gorgonio Pass shall so test not less than
18 percent, except that Thompson Seedless grapes produced
in the area north and west of San Gorgonio Pass shall be con-
sidered mature if they so test not less than 17 percent and if
the juice contains soluble solids equal to or in excess of 25
parts to every part of acid contained in the juice (the acidity
of the juice to be calculated as tartaric acid without water of
crystallization); however, the varieties Emperor, Gros Col-
man, Bleu Grau, Drodelabi, Fresno Beauty, Servian Blue,

Pierce Isabella, Pierce, Isabella Regia, California Concord, Concord, Dattier de Beyrouth, Red Malaga, Khalili, Persian 23, Dizmar, Ribier, Delight and Perlette shall so test not less than 16 percent and the varieties Olivette Blanche, Ladyfinger, Rish Baba, and Khandahar shall so test not less than 15 percent; however, the Blackrose and Cardinal varieties shall so test either not less than 16 percent or not less than 15 percent if the juice contains soluble solids equal to or in excess of 25 parts to every part of acid contained in the juice (the acidity of the juice to be calculated as tartaric acid without water of crystallization).

"Mature" in the case of all other varieties shall mean that the average or composite test of all the grapes in any container or bulk lot shall be not less than 17 percent soluble solids in juice, as determined by the Balling or Brix scale hydrometer; however, white varieties of the Muscat type shall test not less than 18 percent and the variety Burger shall test not less than 16 percent.

In the event that the maturity standard fixed for the Thompson Seedless and Malaga varieties of grapes produced in that area northwest of the San Geronio Pass should be declared void, it is the intent of the Legislature that the other maturity standards prescribed in this section shall prevail.

Any varieties included in Group A may be placed in the standard for juice grapes and other varieties may be placed in the standard established for table grapes, but regardless of standard, the maturity of varieties included in Group A shall be determined by testing the juice from entire bunches representative of the least mature grapes in any container and constituting not less than 10 percent by weight of the contents of the container. The maturity of all varieties not included in Group A shall be determined by testing the juice from a composite sample representative of the average of the grapes in any container or bulk lot. The standards provided by this section are minimum standards, and the tolerances allowed by Sections 800 and 801 shall not be applied to any test made in accordance with this section for the purpose of determining whether any lot of grapes complies with the maturity standard for the variety; however, no lot of grapes of the varieties classified in Group A shall be considered as failing to meet the maturity requirements of this section because the sample of grapes from one container fails to meet the required test.

Definitions

(b) "Waterberry" means a disease characterized by a watery, soft or flabby condition of the berries. Such affected berries are low in sugar content, have tender skins and are very easily crushed.

(c) "Redberry" means a condition closely resembling waterberry generally found in black varieties. Such grapes show a red or brownish red color in addition to the general characteristics of waterberry.

(d) "Raisined berries" means grape berries which are fully cured, resembling raisins, which do not contain sufficient juice

to drop from the berry under ordinary pressure between thumb and finger.

(e) "Sunburned or dried berries" means grapes which show complete drying out, from any cause, of part or all of any individual berries.

(f) "Severe freezing injury" means damage affecting the pulp of the berries.

SEC. 3. Section 802.3 of said code is amended to read:

802.3. All containers of grapes, shall bear upon them in plain sight and in plain letters on one outside end all of the following information: Container
markings

(a) The name of the person who first authorized the packing of the grapes or the name under which he is engaged in business.

(b) A sufficiently explicit address to permit ready location of such person.

(c) The name of the variety of grapes, if known, and when not known, the words "unknown variety" or when two or more varieties are placed in the same container, the words "mixed varieties." In lieu of the term "mixed varieties," a mixture of white grapes may be marked "mixed white varieties" and a mixture of black grapes may be marked "mixed black varieties."

The provisions of this section do not apply to picking boxes which are not closed and which have a capacity of 50 pounds or more of grapes.

CHAPTER 404

An act to amend Section 980 of the Military and Veterans Code, relating to veterans.

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 980 of the Military and Veterans Code is amended to read:

980. As used in this chapter, "veteran" means any person who served in the active military, naval, or air service of the United States for a period of not less than 90 consecutive days any portion of which was on or after December 7, 1941, and prior to January 1, 1947, and any person who served in the active military, naval, or air service of the United States for a period of not less than 90 consecutive days any portion of which was on or after June 27, 1950, and prior to January 31, 1955, and receives an honorable discharge therefrom or is released from active duty under honorable conditions and who was, at the time of his entry into active duty, a native of or a bona fide resident of this State or who, if a minor at such time, entered active duty while in the State of California and who

had lived in this State for six months immediately preceding his entry into active duty.

As used in this chapter "veteran" does not include:

(a) A person who was separated from such forces under other than honorable conditions at any time after December 7, 1941

(b) A person who was separated from such forces on account of alienage at any time after December 7, 1941.

(c) A person who performed no military duty whatever or refused to wear the uniform.

(d) A person who has received from another state a bonus, compensation, or benefit, the prerequisite of which is service in such forces, which service is the basis for the claim of benefits under this chapter.

(e) A person who served only in an auxiliary or reserve component of the armed forces whose service therein did not exempt him from the operation of the Selective Training and Service Act of 1940.

(f) A person whose active service in the armed forces was less than 90 days, unless such person was discharged from the service due to a service-connected disability within said 90-day period.

(g) A person whose service with the armed forces was due to temporary active duty orders for the sole purpose of training duty, processing or a physical examination.

CHAPTER 405

An act to amend Section 2052 of the Harbors and Navigation Code, relating to the Board of State Harbor Commissioners for San Francisco Harbor.

In effect
September
7, 1955

[Approved by Governor May 5, 1955 Filed with
Secretary of State May 6, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 2052 of the Harbors and Navigation Code is amended to read:

2052. Every proposal shall be accompanied by a certified check, cashier's check, cash, or a bidder's bond executed by an admitted surety insurer, for an amount equal to 5 percent of the amount of the proposal, made payable to the Board of State Harbor Commissioners for San Francisco Harbor. If the proposal is accepted and the contract awarded, and if the bidder fails to execute the contract and give the bond required within six days after the award is made, the amount given as security shall be paid into the San Francisco Harbor Improvement Fund by the secretary, as liquidated damages for his failure.

CHAPTER 406

An act to add Article 5.5 to Chapter 2, Part 4, Division 16 of the Water Code, relating to county waterworks districts.

[Approved by Governor May 5, 1955. Filed with
Secretary of State May 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 5.5 is added to Chapter 2, Part 4, Division 16 of the Water Code, to read:

Article 5.5. Bonds as Legal Investments

55640. The bonds of the district or those issued for any zone pursuant to this act are entitled to the same force or value or use as bonds issued by any municipality.

CHAPTER 407

An act to amend Section 18610 of the Financial Code, relating to annual reports of industrial loan companies.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 18610 of the Financial Code is amended to read:

18610. On or before the fifteenth day of March of each year, each company shall file a report with the commissioner, prepared by an independent certified public accountant or public accountant, giving such relevant information as the commissioner reasonably requires concerning the business and affairs of the preceding calendar year for each place of business within the State conducted by such company. Each such report shall contain, amongst other information required by the commissioner, a balance sheet of the company as of the last day of the previous calendar year and statements of income and surplus for such previous calendar year, together with an opinion by an independent certified public accountant or public accountant as to whether such financial statements have been prepared in conformity with generally accepted accounting principles. The opinion shall be based on an examination of such financial statements made in accordance with generally accepted auditing standards and accordingly including such tests of the accounting records and such other auditing procedures as are considered necessary in the circumstances, and such examination shall include a count or independent confirmation of investment certificates, investments, loans and receivables in accordance with generally accepted principles

of auditing procedures and standards. If the opinion is in any way qualified, the commissioner may require the company to take such action as he deems appropriate to permit the certified public accountant or the public accountant to remove the qualification from his opinion. Each company report shall contain a schedule showing the amount of delinquent loans and receivables classified according to their delinquent status in such form and detail as the commissioner may by regulations prescribe. Reserves for possible losses in collection shall be separately disclosed in the financial statements. The report shall contain comments of the accountant regarding the confirmation procedure employed and the results thereof as well as the adequacy of reserves and charge-offs. For the purposes of the composite report provided in Section 18611 each company shall furnish statistical information as reasonably requested by the commissioner. The commissioner may make available to any inquirer information contained in the annual report.

CHAPTER 408

An act to amend Section 1403 of the Fish and Game Code, relating to burros, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1403 of the Fish and Game Code is amended to read:

1403. It is unlawful to kill, wound, capture, or have in possession any undomesticated burro, except as hereinafter provided in this section. An undomesticated burro, for the purpose of this chapter, is a wild burro or a burro which has not been tamed or domesticated for a period of three years after its capture. The fact that a burro was killed, wounded, or captured on publicly owned land, or on land owned by a person or persons other than the person who killed, wounded, or captured the burro is prima facie evidence that the burro was an undomesticated burro at the time it was killed, wounded, or captured. The commission or any other department or agency has no power to modify the provisions of this section by any order, rule, or regulation under Article 1, Chapter 2, Division 1, or any other provision, of this code, or any other law of this State.

All undomesticated burros are hereby declared to be the property of the State of California. Any person who desires to capture an undomesticated burro for the purpose of domesticating it and possessing it as a pet or for use as a beast of burden may apply to the Department of Agriculture for a permit to capture an undomesticated burro. The application

for such a permit shall be in writing. In the application the applicant shall state his name and address and shall also state that, if the permit is granted, he intends to, and will, possess and use such burro as he may capture under the permit only in accordance with the terms of the permit. The permit, when issued, shall authorize the person to whom it is issued to capture one undomesticated burro within the period of six months after the date of the permit. The permit shall also provide that an undomesticated burro captured under the permit shall remain the property of the State of California until the expiration of three years after the date of the permit, that until the expiration of such period the person to whom the permit is issued shall not have nor exercise any rights to said burro except to possess it for use as a pet or as a beast of burden, and that if said burro is so possessed until the expiration of such period, the ownership of said burro shall vest in the person to whom the permit is issued. Not more than one such permit shall be issued to any one person during any one calendar year and the total number of such permits shall not exceed 12 in any one calendar year. Any wilful violation of the provisions of a permit issued under this section is unlawful.

This section shall remain in effect until the ninety-first day after the final adjournment of the Regular Session of the Legislature in 1957.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

That there are very few of the wild or undomesticated burros left in this State and they are being captured and removed by the truck load for slaughtering in places other than that of their capture. This amendment will prevent the capture of burros for subsequent killing and since it is imperative to stop this slaughter at the earliest possible time it is necessary that this act take effect immediately.

CHAPTER 409

An act to amend Section 7208 of, and to add Section 7211.9 to, the Business and Professions Code, relating to guide dogs for the blind.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

In effect
September 7,
1955

The people of the State of California do enact as follows:

SECTION 1. Section 7208 of the Business and Professions Code is amended to read:

Rules and
regulations

7208. Pursuant to the provisions of the Administrative Procedure Act the board may make such rules and regulations as are reasonably necessary to:

- (a) Govern the procedure of the board.
- (b) Govern the admission of applicants for examination for certificates of registration for license to train guide dogs for the blind or to engage in the business of training, selling, hiring, or being in the business of supplying guide dogs for the blind.
- (c) Govern the operation of schools which furnish guide dogs and train blind persons to use guide dogs.
- (d) The reissuance of licenses.
- (e) The re-examination of licensees.

SEC. 2. Section 7211.9 is added to said code, to read:

Grounds for
revocation
and suspen-
sion

7211.9. The board may suspend or revoke a license or certificate issued under this chapter if it determines that the licensee, or registrant, or its manager or responsible directing officer has:

- (a) Made any false statement or given any false information in connection with an application for a license or certificate, or a renewal or reinstatement thereof.
- (b) Violated any provision of this chapter.
- (c) Violated any rule of the board adopted pursuant to the authority contained in this chapter.
- (d) Been convicted of a felony or of any crime involving moral turpitude, or has been convicted of any offense involving cruelty to animals.
- (e) Committed any act which would be grounds for denial of a license.

CHAPTER 410

An act to amend Sections 164 and 5106 of the Welfare and Institutions Code, relating to the Department of Mental Hygiene.

In effect
September
7, 1955

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 164 of the Welfare and Institutions Code is amended to read:

Transfer to
Federal
institution

164. The Director of Mental Hygiene may authorize the transfer of persons from any institution within the department to any institution authorized by the Federal Government to receive such person.

SEC. 2. Section 5106 of said code is amended to read:

Duties of
municipal
peace
officers

5106. All peace officers and other persons having similar duties relating to the mentally ill or insane poor shall see that all poor and indigent mentally ill or insane persons within their respective municipalities are speedily granted the relief conferred by this chapter. When so ordered by a superior

judge, they shall see that such dangerously mentally ill or mentally ill or insane persons are, without unnecessary delay, transferred to the proper state hospitals provided for their care and treatment. Before sending a person to any such hospital, they shall see that he is in a state of bodily cleanliness and comfortably clothed with new clothes. The department may by order direct that any person whom it deems unsuitable therefor shall not be employed as an attendant for any mentally ill or an insane person. After the patient has been delivered to the proper officers of the hospital, the care and custody of the county or municipality from which he is sent cease.

CHAPTER 411

An act to add Article 3.5 to Chapter 6 of Division 4 of, and to add Sections 10301.4 and 10301.5 to, the Education Code, relating to junior high schools and the financial support of elementary schools, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 10, 1955. Filed with Secretary of State May 10, 1955.]

In effect
Immediately

The people of the State of California do enact as follows:

SECTION 1. Article 3.5 is added to Chapter 6 of Division 4 of the Education Code, to read:

Article 3.5. Discontinuance of Junior High Schools

8766. Any junior high school or system of junior high schools maintained by the governing board of a county, union, or joint union high school district may be discontinued pursuant to this article. Discontinu-
ance of
junior high
schools

8767. Whenever the governing board of the high school district deems it for the best interest of the district to discontinue the maintenance of junior high schools it may adopt a resolution reciting such fact and proposing the discontinuance of the junior high school or system of junior high schools in the high school district. Resolution

8768. A copy of the resolution shall be forwarded to the governing board of each of the elementary school districts comprising the high school district and to the county superintendent of schools of the county having jurisdiction of the high school district. Forwarding
copy of
resolution

8769. If each of the governing boards of the elementary school districts comprising the high school district adopt a resolution approving the proposal of the high school district to discontinue the junior high school or system of junior high schools and forward a copy of the resolution to the governing board of the high school district and to the county superintendent of schools having jurisdiction of the high school district, Approval

the maintenance of the junior high school or system of junior high schools by the governing board of the high school district shall be discontinued as provided in this article.

Completion
before June 1

8770. Any action undertaken to discontinue the maintenance of a junior high school or system of junior high schools shall be complete prior to the first day of June of the school year in which the action was begun and shall be effective on the first day of July next succeeding.

Education of
eighth grade
pupils

8771. During the first school year succeeding the discontinuance of a junior high school or system of junior high schools in any high school district, the pupils of the eighth grade residing in any elementary school district situated in such high school district shall be educated by the high school district pursuant to an agreement entered into between the governing boards of the school districts concerned stipulating the terms upon which the interdistrict attendance shall be permitted, or upon order of the county board of education prescribing the terms upon which such pupils shall be educated by the high school district.

Cost

8772. The governing board of the elementary school district shall not pay, or be required to pay, to the high school district for the education of the eighth grade pupils under this article an amount in excess of the actual net cost to the high school district of educating such pupils but such amount shall not be less than the average net cost of educating pupils in the first seven grades of the elementary schools of the elementary school district.

Warrants
for cost

8773. If the governing board of any elementary school district fails to draw warrants for the amount agreed upon for the education of the eighth grade pupils, or the amount ordered paid by the county board of education, the county superintendent of schools shall draw his warrant therefor.

Attendance

8774. The average daily attendance of all eighth grade pupils educated by a high school district pursuant to this article shall be kept separate and credited to the elementary school district in which the pupils reside.

Exception

8775. This article shall not apply to any high school district which has received an apportionment of funds pursuant to the provisions of Chapter 16 or Chapter 19 of Division 3 of this code.

SEC. 2. Section 10301.4 is added to said code, to read:

Accredita-
tion for
supporting
seventh and
eighth grades

10301.4. Notwithstanding any provision of law to the contrary, and in order to provide for the financial support of the district affected, whenever an elementary school district situated in a high school district maintaining one or more junior high schools maintains the seventh or eighth grades, or both, during the school year 1954-55, or prior thereto, the attendance of pupils upon classes during such school years shall be credited to the elementary school district for the apportionment of state funds, and the district may levy taxes and expend funds from whatever source derived for their maintenance.

All acts in connection with the maintenance of such classes, apportionments of state funds to such districts, taxes levied, assessed and collected, and expenditures of district funds for such purposes heretofore or hereafter made or done, are hereby ratified, confirmed and validated.

SEC. 3. Section 10301 5 is added to said code, to read:

10301.5. Notwithstanding anything in Section 10301 to the contrary, an elementary school district otherwise authorized to maintain a course of study for the day elementary schools of the district embracing only six years of instruction which during the school years 1953-1954 and 1954-1955 maintained a course of study for the day elementary schools of the district embracing seven or eight years of instruction is hereby authorized to enter into an agreement with the governing board of the high school district maintaining junior high schools in the district, subject to the approval of the county superintendent of schools having jurisdiction, stipulating the terms upon which the elementary school district shall educate pupils of the seventh or eighth grades, or both, of the junior high school.

Agreements
for education
of seventh
and eighth
grade pupils

Any contract entered into pursuant to this section does not in any manner change the legal status of any high school district authorized to maintain seventh and eighth grades, and the authorization and obligation of such high school district to furnish school buildings for such seventh and eighth grade pupils is and shall continue to be a sole responsibility of such district.

Contracts entered into pursuant to this section shall be for a fiscal year only.

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Urgency

A serious question exists as to whether an elementary school district situated in a high school district maintaining junior high schools is authorized to contract with the governing board of the high school district pursuant to Education Code Section 1502 for the education of pupils of the seventh and eighth grades, in view of the provisions of Education Code Section 10301. Since the solution of the question will affect the counting of attendance of pupils in the public schools for apportionment purposes which may delay the apportionment of the State School Fund to the several school districts in this State, and since there is now no authorization for the discontinuance of junior high schools established in county, union, or joint union high school districts, it is necessary that this act take effect immediately.

CHAPTER 412

*An act to amend Section 35006 of the Government Code,
relating to cities.*

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 35006 of the Government Code is amended to read:

35006. When uninhabited territory owned by a city is annexed, proceedings may be had under Article 3 or Article 5 of this chapter.

CHAPTER 413

*An act to add Section 2 to Chapter 1076 of the Statutes of
1947, relating to tidelands and submerged lands granted to
the County of San Luis Obispo.*

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2 is added to Chapter 1076 of the Statutes of 1947, to read:

SEC. 2. The State Lands Commission shall, at the cost of the grantee, survey, monument, plat, and record in the Office of the Recorder of San Luis Obispo County, the area of state lands described in this act. Said county shall enter into a contract with the State Lands Commission for the surveying, monumenting, and platting the area of state lands described in this act, and shall, upon submission of invoices by the State Lands Commission, pay the costs of the survey.

CHAPTER 414

*An act to amend Section 6093.4 of the Harbors and Navigation
Code, relating to harbor districts.*

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6093.4 of the Harbors and Navigation Code is amended to read:

6093.4. The board of supervisors shall at the time of levying the county taxes, levy a tax upon all the taxable property within the district sufficient to meet the amounts set forth in the final budget submitted by the district board; provided,

that no taxes shall be levied for any capital outlay or capital outlay fund included in the final budget submitted by the district board unless the district board receives definite assurances of federal assistance, or definite assurances of assistance from the State of California; provided further, that if not less than 10 percent of the qualified electors of the district have signed a petition filed with the board of supervisors protesting the levy for any capital outlay or capital outlay fund included in the final budget submitted by the district board, or if a written protest against the proposed capital outlay or capital outlay fund signed by a majority in number of the assesses of real property representing one-half or more of the assessed valuation of the taxable real property within the district, as shown by the last preceding equalized assessment roll, is filed with the board of supervisors, the board of supervisors shall delete said levy for capital outlay or capital outlay fund from the final budget before levying a tax to raise the amount required by the final budget. Such protest petition must be filed with the board of supervisors not later than five days prior to the final day on which the board of supervisors is required by law to make the annual tax levy. The money when collected by the tax collector of the county shall be paid to the treasurer of said district; provided further, that any levy for capital outlay or for capital outlay fund shall not exceed three cents (\$.03) per one hundred dollars (\$100) assessed valuation of all the real and personal property in the district.

CHAPTER 415

An act authorizing a suit or suits against the State of California to quiet title to interests in certain real property in the County of Orange, State of California, or to reform a certain deed relating thereto, or both.

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Any person or persons owning or claiming any interest in or to that certain real property situated in the County of Orange, State of California, and described in this act, may bring suit against the State of California, in accordance with law, in any court of competent jurisdiction of the State of California, either to quiet title to such interest or to reform that certain deed hereinafter referred to, or both, and to prosecute the action or actions to final judgment.

SEC. 2. The deed referred to in Section 1, and as to which an action is hereby authorized to be brought against the State of California to reform the same, is that certain deed dated the 14th day of January, 1947, executed by Willow Land Company, a California corporation, as grantor, to the State of

Authoriza-
tion to
bring suit

Description
of property

California, as grantee, recorded on April 22, 1947 in Book 1517, page 273, Official Records of Orange County, California, and the real property referred to in Section 1, as to which an action is hereby authorized to be brought to quiet title to any interest therein against the State of California, is described as follows:

The certain real property situated in the County of Orange, State of California, particularly described as follows:

A strip of land 30 feet wide in Sections Thirteen and Twenty-four, Township Six South, Range Eleven West, S. B. B. & M., and Section Nineteen, Township Six South, Range Ten West, S. B. B. & M. particularly described as follows:

Beginning at the point of intersection of the north and south quarter section line of Section Thirteen, Township Six South, Range Eleven West, S. B. B. & M., with the northeasterly line of the 70-foot strip of right of way described in the deed from Willow Land Company to the State of California recorded November 19, 1923 in Book 499, page 156 of Deeds; thence southeasterly along the northeasterly line of said 70-foot right of way to an intersection with the easterly boundary line of the Rancho Las Bolsas; thence northeasterly along the boundary line of said rancho to an intersection with a line parallel with and measured at right angles 30 feet distant from said northeasterly line of said 70-foot right of way; thence northwesterly along said parallel line which is northeasterly of and measured at right angles 30 feet distant from said northeasterly line of said 70-foot right of way to an intersection with said north and south quarter section line of said Section Thirteen; thence south to the point of beginning.

Same

Excepting therefrom that portion thereof included within the following:

Beginning at a point in the north and south quarter section line of Section Thirteen, Township Six South, Range Eleven West, S. B. B. & M., said point being 2219.8 feet south of the center of said Section Thirteen, being the southwest corner of the land deeded from the Willow Land Company to A. C. Thorpe, recorded in Book 302, page 69 of Deeds, records of Orange County, California, running thence along the southwesterly line of said land North $83^{\circ} 29'$ East 557.50 feet to a point; thence North $67^{\circ} 49'$ East 292.76 feet to a point; thence South $86^{\circ} 17'$ East 87.89 feet to a point; thence South $56^{\circ} 32\frac{1}{2}'$ East 457.15 feet to a point; thence South $48^{\circ} 45'$ East 420.22 feet to a point; thence South $45^{\circ} 58'$ East 567.94 feet to a point; thence South $52^{\circ} 05\frac{1}{4}'$ East 403.42 feet to Station A; then South $62^{\circ} 56'$ East 2192.05 feet to a point; thence South $43^{\circ} 09'$ East 298.41 feet to Station B; thence South $38^{\circ} 26\frac{1}{2}'$ East 887.87 feet to the center line of the county road known as Talbert Road; thence South $48^{\circ} 27\frac{1}{2}'$ East 1317.26 feet to a point; thence South $86^{\circ} 27'$ East 54.54 feet to a point; thence South $48^{\circ} 47'$ East 677.35 feet to the most Southerly corner of the above referred to land as deeded in Book 302, page 69 of Deeds, records of Orange County, Cali-

fornia, said point being South 15° 41' West 125.77 feet from a 2 x 4 stake marked "L. B. 68" marking Station 68 of the exterior boundary of the Rancho Las Bolsas, as shown on a map recorded in Book 2, pages 332 and 333 of Patents, records of Los Angeles County, California; thence along rancho line South 15° 41' West to a point 100 feet northeasterly at right angles from the northeasterly line of the 40-foot right of way of the Southern Pacific Railroad Company, as per deed recorded in Book 123, page 96 of Deeds, records of Orange County, California; thence northwesterly parallel to and 100 feet from said northeasterly right of way line 2678 feet, more or less, to a point of curve concave to the southwest of radius 5899.6 feet; thence along curve parallel to railroad right of way 1000.50 feet to a point tangent; thence along said tangent line parallel to and 100 feet distant from the railroad right of way 71 feet to a point; thence at right angles southwesterly 100 feet to the northeasterly right of way line of the Southern Pacific Railroad Company; thence northwesterly 110 feet along said right of way line to Station C; thence at right angles northeasterly 100 feet to a point; thence northwesterly parallel to and 100 feet from the Southern Pacific Railroad Company right of way 826 feet, more or less, to point of curve concave to the northeast of radius of 5559.6 feet; thence along said curve 808.61 feet parallel to said right of way line to a point tangent; thence northwesterly parallel to and 100 feet from said right of way line to an intersection with the north and south quarter section line of Section Thirteen above referred to; thence northerly along said quarter section line 281.80 feet, more or less, to the place of beginning

Also excepting from said 30 foot strip that portion thereof included within the following: A strip of land 15 feet wide, the east boundary line of which is described as follows: Same

Beginning at the point where the south line of the northeast quarter of the southeast quarter of Section Eighteen, Township Six South, Range Ten West, S. B. B. & M., intersects the easterly boundary of the Rancho Las Bolsas; thence southerly along the eastern boundary of the lands of the Willow Land Company lying west of the Santa Ana River to the Pacific Ocean, as conveyed to the City of Santa Ana by deed recorded in Book 218, page 57 of Deeds, records of Orange County, California.

SEC. 3. Any action brought under the provisions of this act shall be commenced within one year from the effective date of this act. Statute of
Limitation

SEC. 4. Service of process in any such suit shall be made upon the Director of Finance, the Director of Natural Resources, and the Attorney General, and it shall be the duty of the Attorney General to represent the State in such suit. Service of
process

SEC. 5. In any such action, whether or not judgment is given against the State, no costs shall be recovered against the State. Costs

Reservation
of easement
to State

SEC. 6. Any reconveyance, or decree in a quiet title action, or in an action to reform the deed hereinabove described, shall contain an express reservation to the State of the easement for highway purposes obtained by decree in condemnation, certified copy of which was recorded on April 12, 1937, in Book 611, page 98, Official Records of Orange County.

CHAPTER 416

An act to add Section 11014 to the Government Code, relating to the administration of the State.

In effect
September
7, 1955

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11014 is added to the Government Code, to read:

11014. In exercising the powers and duties granted to and imposed upon it, any state agency may construct and maintain communication lines as may be necessary.

In providing communications and necessary power lines in connection therewith the agency, with the approval of the Department of Finance may enter into contracts with owners of similar facilities for use of their facilities, such as pole lines, and provisions may be made for indemnification and holding harmless of the owners of such facilities so used by reason of such use. Insurance may be purchased by the Department of Finance, upon request of the agency, to protect the State against loss or expense arising out of any such contract.

Any claim for damages arising against the State under this section shall be presented to the State Board of Control in accordance with Section 16041 of the Government Code and if not covered by insurance as herein provided shall be payable only out of funds appropriated by the Legislature for such purpose. If the State elects to insure its liability under this section the State Board of Control may automatically deny any such claim.

CHAPTER 417

An act to amend Section 360 of the Code of Civil Procedure, relating to the statute of limitations.

In effect
September
7, 1955

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 360 of the Code of Civil Procedure is amended to read as follows:

360. No acknowledgment or promise is sufficient evidence of a new or continuing contract, by which to take the case out of the operation of this title, unless the same is contained in some writing, signed by the party to be charged thereby, provided that any payment on account of principal or interest due on a promissory note made by the party to be charged shall be deemed a sufficient acknowledgment or promise of a continuing contract to stop, from time to time as any such payment is made, the running of the time within which an action may be commenced upon the principal sum or upon any installment of principal or interest due on such note, and to start the running of a new period of time, but no such payment of itself shall revive a cause of action once barred.

CHAPTER 418

An act to amend Section 36501 of, and to add Section 38611 to, the Government Code, relating to fire departments in cities.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 36501 of the Government Code is amended to read:

36501. The government of a sixth class city is vested in:

- (a) A city council of five members.
- (b) A city clerk.
- (c) A city treasurer.
- (d) A chief of police.
- (e) A fire chief.
- (f) Such subordinate officers or employees as are provided for by law.

SEC. 2. Section 38611 is added to said code, to read:

38611. The legislative body of a city organized under general law shall establish a fire department for the city. The fire department shall be under the charge of a chief who shall have had previous training and experience as a fireman. The other members of the fire department shall consist of paid firemen or such companies of volunteer firemen as the legislative body may determine. The city legislative body shall fix and pay the compensation of the chief and other paid firemen.

Notwithstanding the provisions of this section, and of subdivision (f) of Section 36501, no city of the sixth class shall be required to appoint or elect a fire chief or establish a fire department if such city is included within the boundaries of an established fire protection district.

CHAPTER 419

An act to add Section 13105.5 to the Health and Safety Code, relating to the publication of laws relating to firemen and fire protection and control.

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 13105.5 is added to the Health and Safety Code, to read:

13105.5. The State Fire Marshal may periodically compile and publish in looseleaf form the laws relating to firemen and fire protection and control. Each legislative year, he may publish amendments and additions thereto. Copies of the compilations and amendments shall be distributed at cost in accordance with a procedure developed by him.

CHAPTER 420

An act to amend Section 27 of the Orange County Water District Act (Chapter 924 of the Statutes of 1933 as amended), relating to the Orange County Water District and deleting the provisions with respect to replenishment assessments in the event of a basin-wide adjudication.

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 27 of the Orange County Water District Act is amended to read:

Sec. 27. If the board of directors finds and determines that an overdraft, either annual or accumulated, does exist, then said board may levy and assess a charge or replenishment assessment against all persons operating water producing facilities and producing water during the ensuing water year, which assessment or charge shall be computed and fixed at a uniform rate per acre-foot of such water production.

The total of the replenishment assessment levied in any year shall not exceed an amount of money found to be necessary to purchase sufficient water to replenish the average annual overdraft for the immediate past 10 water years plus an additional amount of water sufficient to eliminate over a period of not less than 10 years nor more than 20 years, the accumulated overdraft; provided, further, that the replenishment assessment in any year as computed and fixed at a uniform rate per acre-foot of water produced shall not exceed five dollars and fifty cents (\$5.50) per acre-foot of water produced except upon the vote of eight directors of said district.

On the second Wednesday in June of each year, at the hour of 2 p.m. at the offices of said district, the board of directors shall hold a public hearing for the purpose of determining the need and desirability of levying a replenishment assessment and fixing the rate thereof. In computing and fixing the replenishment assessment rate, there shall be allowed 10 percent for delinquencies. Notice of such hearing shall be given by publication in a newspaper of general circulation printed and published within said district, at least 10 days prior to the date set for said hearing.

Any replenishment assessment levied by this section shall be in addition to any general assessment levied by said district.

Clerical errors occurring or appearing in the name of any person or in the description of the water producing facility where the production of water therefrom is otherwise properly assessed, or in the making or extension of any assessment upon the records, which do not affect the substantial rights of the assessee or assesses, shall not invalidate the assessment.

CHAPTER 421

An act to add Sections 70041.1, 70046.1, 70055.1, 73395, 73396, 73397, 73398, 73399, 73400, 73401, and 74045 to the Government Code, relating to official reporters.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 70041.1 is added to the Government Code, to read:

70041.1. Unless otherwise specifically provided the provisions of this article apply in a county with a population of 290,000 or more and under 295,000. Applicability

SEC. 2. Section 70046.1 is added to said code, to read:

70046.1. In a county with a population of 290,000 or more and under 295,000, the annual salary of regular official reporters shall be eight thousand dollars (\$8000) and the compensation of official phonographic reporters pro tempore shall be at the rate of twenty-seven dollars and fifty cents (\$27.50) a day, or any fractional part thereof. Santa Clara
County Super-
ior Court
reporters.
Salaries

SEC. 3. Section 70055.1 is added to said code, to read:

70055.1. In a county with a population of 290,000 or more and under 295,000, the fee required by Section 70053 shall be six dollars and fifty cents (\$6.50). Fee

SEC. 4. Section 73395 is added to said code, to read:

73395. Official reporters in such municipal court, appointed pursuant to Section 72194 shall be attaches of such court, and in lieu of any other compensation provided by law for their services in reporting testimony and proceedings in such court, shall receive a salary of eight thousand dollars (\$8,000) a year, which shall be a charge against the general fund of the county. Alviso-San
Jose Muni-
cipal Court
reporters
Salaries

SEC. 5. Section 73396 is added to said code, to read:

Appointment
of additional
reporters

73396. Pursuant to Section 72194, the judges of such court may appoint as many additional reporters as the business of the court may require, who shall be known as official reporters pro tempore, and who shall serve without salary but shall receive the fees provided by Sections 69947 to 69953, inclusive, except that in lieu of the per diem fees provided in said sections for reporting testimony and proceedings, the official reporters pro tempore shall in all cases receive twenty-five dollars (\$25) a day, which shall upon order of the court be a charge against the general fund of the county.

SEC. 6. Section 73397 is added to said code, to read:

Per diem
fees

73397. All per diem fees otherwise payable by law by the parties to proceedings in the court to official reporters or official reporters pro tempore shall be paid to the clerk of the court. All fees shall be deposited in the treasury of the county to the credit of the general fund.

SEC. 7. Section 73398 is added to said code, to read:

Fees for
transcription
of testimony,
etc

73398. Fees for transcription of testimony and proceedings in such court shall be paid by the litigants to official reporters and official reporters pro tempore as otherwise provided by law. In all cases where by law, the court may direct the payment of transcription fees out of the county treasury, such fees shall, upon order of the court, be paid from the general fund including fees for transcription of testimony and proceedings in criminal cases as provided in Sections 69947 to 69953, inclusive, which shall be paid from the county treasury.

SEC. 8. Section 73399 is added to said code, to read:

Additional
fees pro-
hibited

73399. In the municipal court no further fee shall be collected from, or assessed against, any party to any proceeding for the services of a phonographic reporter in taking down in shorthand the testimony and other proceedings in the trial or hearing of any matter as required by law or by order of the court. Such phonographic reporter shall be allowed and shall receive, unless waived by him, the fees allowed by law for transcribing his shorthand notes of the testimony and proceedings reported by him, and such fees for transcriptions shall be paid as provided by Sections 69947 to 69953, inclusive, and by any other law pertinent to the case.

SEC. 9. Section 73400 is added to said code, to read:

Filing fees

73400. In any civil action or proceeding, in addition to a fee or fees required by Sections 72054 to 72073, inclusive, a fee of five dollars (\$5) shall be paid to the clerk of the municipal court, by each party, or jointly by parties appearing jointly, once only in any such action or proceeding, in the following instances:

(a) Upon the filing of a complaint or complaint in intervention.

(b) Upon the filing of an answer.

(c) Upon the filing of papers transmitted from another court on the transfer of a civil action or special proceeding.

SEC. 10. Section 73401 is added to said code, to read:

73401. The fee required by Section 73400 shall be taxed as costs in favor of any party paying it and to whom costs are awarded by the judgment of the court. It is not subject to Section 6103.

When fee
taxed as
cost

On or before the first day of each calendar month the clerk of the municipal court shall transmit to the county treasurer all money paid to him pursuant to Section 73400 during the preceding calendar month, or up to the day immediately preceding the day in which he transmits such money. The money shall be deposited in the general fund of the city and county.

Payment
to county
treasurer

SEC. 11. Section 74045 is added to said code, to read:

74045. The provisions of Sections 73395 to 73401, relating to official reporters for Alviso-San Jose District, are applicable to official reporters for the Palo Alto-Mountain View District

Palo Alto-
Mountain
View Muni-
cipal Court
reporters

CHAPTER 422

An act to amend Section 1347 of the Fish and Game Code, relating to elk, declaring the urgency thereof to take effect immediately.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 1347 of the Fish and Game Code is amended to read:

1347. The commission may determine and fix the area or areas, the seasons and hours, the bag and possession limit, and the total number that may be taken during any open season for the taking of elk under such rules and regulations as the commission may prescribe from time to time. Only citizens and bona fide residents of the State of California over the age of 16 years and possessing a valid hunting license may obtain a license for the taking of said elk. The fee for said license is ten dollars (\$10), plus an additional application fee of one dollar (\$1). Said application fee must accompany each application. The fees provided herein shall be deposited in the Fish and Game Preservation Fund, and shall be expended in addition to moneys provided in the budget for salaries of the Department of Fish and Game for the expense of enforcing the provisions of this section and the processing of said applications.

Before the commission permits the taking of elk in any area, a public hearing shall be held in the county seat of the county in which the area to be affected by the order lies or, if such area lies in more than one county, the county seat of the county in which the greater portion of such area lies, at which at least one member of the commission shall be in attendance and such officers and employees of the department as are deemed neces-

sary or are requested by interested parties, notice of which has been published at least once and at least thirty (30) days prior to the hearing in a newspaper of general circulation which is printed and published in the county, or one of the counties, in which the area lies. If there is no newspaper of general circulation in any such county, the notice shall be published in such newspaper of general circulation as the commission determines will be most likely to give notice to the inhabitants of the area and such determination by the commission shall be final and conclusive.

The provisions of Section 1275.5 of this code shall apply to the possession of elk meat

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Because of an over-population of elk in the Owens Valley area in Inyo and Mono Counties, serious agricultural crop depredation is occurring. Past history of this elk herd indicates that periodically it builds up to numbers beyond the carrying capacity of its range and it competes with livestock, deer, and agricultural crops. The commission has held two special hunts in the past years to bring the herd down to the carrying capacity of its range, and this type of management is desirable if this herd is to be maintained in the Owens Valley in the future. At present, indications are that this elk herd is seriously in need of reduction during the fall of 1955. It is desirable for the commission to act at an early date and it would be preferable to act under the new law to avoid loss of income to the department.

CHAPTER 423

An act to amend Section 71043 of the Government Code, relating to population of judicial districts.

In effect
September
7, 1955

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 71043 of the Government Code is amended to read:

71043. The determination of whether a judicial district has a population above or below 40,000 shall be made on the latest occurring of the following bases:

(a) As shown by the last preceding federal census of the district or of the aggregate cities and other political subdivisions situated within the district, whichever is greater.

(b) As shown by a subsequent census taken pursuant to Section 26203.

(c) As may have been found to be the fact in any proceeding for declaratory relief brought in a court having jurisdiction.

CHAPTER 424

An act to amend Section 416 of the Education Code and Sections 28116, 73562, and 74222 of the Government Code, relating to compensation for public service in counties of the sixteenth class.

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28116 of the Government Code is amended to read:

28116. In a county of the sixteenth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums: Monterey
County
officers
Salaries

(a) The county auditor, eight thousand dollars (\$8,000) a year.

(b) The district attorney, twelve thousand dollars (\$12,000) a year for his full-time services. He shall not engage in private practice of the law.

(c) Each supervisor, four thousand eight hundred dollars (\$4,800) a year, and the necessary and actual expenses incurred in the performance of the duties of his office.

(d) Grand jurors and trial jurors in the superior court and municipal courts shall receive for each day's attendance in court, upon regularly called jury meetings, committee meetings, or when appointed by the foreman of a grand jury to make individual investigations, five dollars (\$5) a day. In justice courts, jurors shall receive for each day's attendance five dollars (\$5). Grand jurors and trial jurors shall receive fourteen cents (\$0.14) for each mile actually and necessarily traveled from their residences to the places of service, in going only, mileage to be allowed but once in any one day, during any session of the court where the jurors serve. The fees of all trial jurors in civil cases shall be paid by the litigants as other costs are paid.

SEC. 2. Section 73562 of said code is amended to read:

73562. There shall be one clerk, who shall receive a minimum salary of three hundred sixty-one dollars (\$361) monthly with annual increments of twenty dollars (\$20), twenty-one dollars (\$21), twenty-one dollars (\$21) and twenty-three dollars (\$23) to a maximum of four hundred forty-six dollars (\$446) monthly. Carmel-
Monterey
Municipal
Court clerk

SEC. 3. Section 74222 of said code is amended to read:

74222. There shall be one clerk, who shall receive a minimum salary of three hundred sixty-one dollars (\$361) monthly with annual increments of twenty dollars (\$20), twenty-one dollars (\$21), twenty-one dollars (\$21) and twenty-three dollars (\$23) to a maximum of four hundred forty-six dollars (\$446) monthly. Salinas
Municipal
Court clerk

Sec. 4. Section 416 of the Education Code is amended to read:

County s -
perintendent
of schools

416. The annual salary of the county superintendent of schools of a county of the sixteenth class is nine thousand dollars (\$9,000), and he shall possess a valid elementary or secondary administrative credential issued by the State Board of Education.

CHAPTER 425

An act to amend Section 8 of Chapter 29 of the Statutes of 1946 (First Extraordinary Session), relating to the availability of moneys appropriated for the acquisition of housing facilities for veterans and families of servicemen.

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 8 of Chapter 29 of the Statutes of 1946 (First Extraordinary Session) is amended to read:

Sec. 8. The director shall prescribe the time and manner of payment of the State's share of the cost of construction of a project for which a local agency has received an allotment under this act, which the local agency shall, on its request, be paid.

Any money expended by or on behalf of a local agency after December 1, 1945, for the purpose of acquiring housing as provided by this act shall be considered as part of the money required to be provided by the local agency hereunder.

Any funds appropriated under this act may be allocated as herein provided to defray expenditures incurred by local agencies after February 15, 1946, in acquiring and establishing housing as defined in this act.

The Board of Control shall by rule prescribe the information to be shown on claim for payment of the State's share of the cost of construction of projects under this act and the nature of the evidence of payment to be required in support of such claim. When the director approves such claim and finds the payment to be due, he shall transmit a claim for the amount due, together with all supporting information of payment, to the Controller. The Controller shall make such audit as he deems necessary and shall thereupon draw his warrant for the amount of payment he finds to be due.

Except in the case of allocations to colleges operated by the State or by any state agency, title to any project constructed with funds made available by this act shall not vest in the State but shall vest in the local agency constructing the project to the extent permitted by federal law or regulation.

A sum of money equal to the amount (of the appropriation heretofore made by this act, augmented by the appropriation made by Chapter 1 of the Fifty-sixth (Second Extraordinary) Session) which reverted to the General Fund on or

about April 6, 1947, is hereby appropriated out of moneys in the State Treasury not otherwise appropriated, in augmentation of the appropriation heretofore made by this act, to carry out the provisions of this act. Any portion of the moneys hereby or heretofore appropriated for allocation to local agencies which is not obligated for expenditure by the State or for which application is not made on or before December 31, 1949, shall revert to the General Fund in the State Treasury; provided, however, that encumbrances made against said money during its period of availability may be paid at any time until December 31, 1957.

Sections 13320-13324, inclusive, 13920 and 16003 of the Government Code, and Sections 3714-3714.26, inclusive, of the Political Code do not apply to the expenditure of allocations to local agencies made under this act. The provisions of Part 7 of Division 2 of the Labor Code are applicable to public works or projects constructed from funds allocated under this act.

CHAPTER 426

An act to amend Section 1711.5 of the Welfare and Institutions Code, relating to action by the Department of the Youth Authority.

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1711 5 of the Welfare and Institutions Code is amended to read:

1711.5. The authority may meet and transact business in panels. Each authority panel shall consist of at least two members of the authority. Two members of the authority shall constitute a quorum for the transaction of business. No action shall be valid unless concurred in by a majority vote of those present.

Provided, however, that the authority may assign any individual member as a referee to review and take action in the name of the Youth Authority. Decisions or actions of a Youth Authority referee are not effective until concurred in by another member of the authority.

CHAPTER 427

An act to amend Section 1767 of the Welfare and Institutions Code, relating to delegation of powers of the Department of the Youth Authority.

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1767 of the Welfare and Institutions Code is amended to read:

1767. Except as provided in Section 1711.5 of this code, every order granting probation to, committing to an institution, granting and revoking parole and issuing final discharges to any person under the control of the authority shall be made by the authority and the authority may not delegate the making of such decisions to any other body or person.

All other powers conferred on the authority may be exercised through subordinates under rules established by the authority. Any person subjected to an order of such subordinates may petition the authority for review. The authority may review such orders under appropriate rules and regulations.

CHAPTER 428

An act to amend Section 602 of the Code of Civil Procedure, relating to grounds of challenges for cause.

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 602 of the Code of Civil Procedure is amended to read as follows:

602. Challenges for cause may be taken on one or more of the following grounds:

1. A want of any of the qualifications prescribed by this code to render a person competent as a juror.

2. Consanguinity or affinity within the fourth degree to any party or to an officer of a corporation which is a party.

3. Standing in the relation of guardian and ward, master and servant, employer and clerk, or principal and agent, or debtor and creditor, to either party or to an officer of a corporation which is a party, or being a member of the family of either party; or a partner in business with either party; or surety on any bond or obligation for either party, or being the holder of bonds or shares of capital stock of a corporation which is a party; or having stood within one year previous to the filing of the complaint in the action in the relation of attorney and client with either party or with the attorney for either party. A depositor of a bank shall not be deemed a creditor of such bank for the purpose of this subsection solely by reason of his being such a depositor.

4. Having served as a juror in a civil action or been a witness on a previous trial between the same parties, for the same cause of action; or having served as a juror within one year previously in any civil action or proceeding in which either party was plaintiff or defendant.

5. Interest on the part of the juror in the event of the action, or in the main question involved in the action, except his interest as a member or citizen or taxpayer of a county, city and county, incorporated city or town, or other political subdivision of a county, or municipal water district.

6. Having an unqualified opinion or belief as to the merits of the action founded upon knowledge of its material facts or of some of them.

7. The existence of a state of mind in the juror evincing enmity against or bias to either party.

8. That he is a party to an action pending in the court for which he is drawn and which action is set for trial before the panel of which he is a member.

CHAPTER 429

An act to add Section 18654 to the Business and Professions Code, relating to amateur boxing contests and sparring or wrestling matches.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 18654 is added to the Business and Professions Code, to read:

18654. This chapter does not apply to any amateur boxing contests or sparring or wrestling matches or exhibitions at which no admission fees are charged or collected which may be conducted by any recreation department or similar agency of any city or of any county or any city and county, or by any public district of the State organized for recreational purposes, when each contestant in such contests, matches or exhibitions is a bona fide student who is regularly attending a school during the academic year or who, if such contests, matches or exhibitions are conducted during any school vacation, has regularly attended a school during the next preceding 100 days.

CHAPTER 430

An act to amend Section 963.5 of the Agricultural Code, relating to seed potato certification funds.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1 Section 963 5 of the Agricultural Code is amended to read:

963 5 Out of any money in the Department of Agriculture Fund there is hereby appropriated twenty thousand dollars (\$20,000) which shall be used as a revolving fund to carry out the provisions of this article. All money collected pursuant to this article shall be paid into the Department of Agriculture Fund for use in carrying out the provisions of this article.

SEC. 2. This act shall become effective July 1, 1956.

CHAPTER 431

An act to amend Section 785 of the Agricultural Code, relating to fruits, nuts and vegetables not in compliance with law.

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 785 of the Agricultural Code is amended to read:

Violation
a public
nuisance

785. Any lot of fruits, nuts or vegetables, including the containers thereof, which is not in compliance in all respects with the provisions of this chapter and rules and regulations issued hereunder, is hereby declared to be a public nuisance. Any enforcing officer, if he has reason to believe that any such lot is not in compliance as aforesaid, may hold such lot pending proceedings to condemn and abate such nuisance, as herein provided.

Warning tag

The officer may affix to any lot so held a tag or notice warning that the lot is held and stating the reasons therefor. It is unlawful for any person other than an authorized enforcing officer to detach, alter, deface or destroy any such tag or notice affixed to any such lot, or to remove or dispose of such lot in any manner or under conditions other than as prescribed in such tag or notice, except upon written permission of an authorized enforcing officer or by order of court.

Service of
notice of
noncompliance

The officer by whom any such lot is held shall cause notice of noncompliance to be served upon the person in possession of said lot. The notice of noncompliance shall include a description of the lot, the place where and the reasons for which it is held, and shall give notice that said lot is a public nuisance and subject to disposal as provided in this section, unless within a specified time said lot shall have been reconditioned or the deficiency otherwise corrected so as to bring said lot into compliance.

Duties and
liability of
person served

If the person so served is not the sole owner of the lot, or does not have authority as agent for the owner to bring said lot into compliance, it shall be the duty of such person in writing to notify the officer by whom such lot is held of the names and addresses of the owner or owners and all other persons known to him to claim an interest in said lot. Any person so served shall be liable for any loss sustained by such owner or other person whose name and address he has knowingly concealed from such officer.

Procedure
upon failure
to correct
deficiency

If the lot has not been reconditioned or the deficiency otherwise corrected so as to bring said lot into compliance within the time specified in the notice, then the enforcing officer shall cause a copy of said notice to be served upon all persons designated in writing by the person in possession of said lot to be the owner or to claim an interest therein. Any notice required by this section may be served personally or by mail addressed to the person to be served at his last known address.

The enforcing officer, with the written consent of all such persons so served, is hereby authorized to destroy such lot or otherwise to abate the nuisance. If any such person fails or refuses to give such consent, then the enforcing officer shall proceed as provided hereinafter. Destruction
of lot

If the lot so held is perishable or subject to rapid deterioration, the enforcing officer may file a verified petition in any superior or inferior court of the State to destroy such lot or otherwise abate the nuisance. The petition shall show the condition of the lot, that the lot is situated within the county, that the lot is held, and that notice of noncompliance has been served as herein provided. The court may thereupon order that such lot be forthwith destroyed or the nuisance otherwise abated as set forth in said order. Petition
to abate

If the lot so held is not perishable nor subject to rapid deterioration, the enforcing officer shall immediately report the condition of said lot to the director. Within five (5) days from the receipt of such report, the director may file a petition in the superior court in the county where the lot is situated for an order to show cause, returnable in five (5) days, why the lot should not be abated. The owner or person in possession on his own motion within five (5) days from the expiration of the time specified in the notice of noncompliance may file a petition in said court for an order to show cause, returnable in five (5) days, why said lot should not be released to petitioner and any warning tags previously affixed removed therefrom. Final determination by said court in either case shall be within a period of not to exceed twenty (20) days from the date said petition was filed. Order to
show cause

The court may enter judgment ordering that said lot be condemned and destroyed in the manner directed by the court or relabeled, or denatured or otherwise processed, or sold or released upon such conditions as the court in its discretion may impose to insure that the nuisance will be abated. In the event of sale by order of court, the costs of storage, handling and reconditioning or disposal shall be deducted from the proceeds of sale and the balance, if any, paid into court for the owner Judgment

CHAPTER 432

An act to amend Section 28112 of the Government Code, and to amend Section 412 of the Education Code, relating to compensation for public service in counties of the twelfth class.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28112 of the Government Code is amended to read:

Orange
County
officers
Salaries

28112. In a county of the twelfth class the following shall receive as compensation for the services required of them by law or by virtue of their office the following sums:

(a) The auditor, ten thousand eight hundred dollars (\$10,800) a year.

(b) The district attorney, twelve thousand dollars (\$12,000) a year for his full-time services. He shall not engage in the private practice of law.

(c) Each supervisor, seven thousand two hundred dollars (\$7,200) a year and the necessary and actual expenses incurred in the performance of the duties of his office.

(d) Grand jurors and trial jurors in superior courts and municipal courts shall receive for each day's attendance in court, upon regularly called jury meetings, committee meetings, or when appointed by the foreman of a grand jury to make individual investigations, five dollars (\$5) a day. In justice courts in civil cases, jurors shall receive for each day's attendance, three dollars (\$3). In justice courts and in criminal cases jurors shall receive for each day's attendance, three dollars (\$3). Grand jurors and trial jurors in superior courts and municipal courts shall receive twenty cents (\$0.20) for each mile actually and necessarily traveled from their residences to the places of service, in going only, mileage to be allowed but once in any one day, during any session of the court where the jurors serve; all other jurors shall receive ten cents (\$0.10) per mile. The fees of all trial jurors in civil cases shall be paid by the litigants as other costs are paid.

SEC. 2. Section 412 of the Education Code is amended to read:

County su-
perintendent
of schools

412. The annual salary of the county superintendent of schools of a county of the twelfth class is fourteen thousand four hundred dollars (\$14,400), and he shall possess a valid general administrative credential issued by the State Board of Education.

CHAPTER 433

An act to amend Section 5642 of the Public Resources Code, relating to the election of trustees of park, recreation and parkway districts, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5642 of the Public Resources Code is amended to read:

5642. Within 10 days after the adoption of the resolution establishing the district boundaries, and designating the name of the district, the board of supervisors shall call and give notice of an election to be held in the proposed

district for the purpose of determining whether or not the district shall be formed, and for the selection of five persons, having the qualifications prescribed by this article for district trustees, to serve on the first board of district trustees.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The rapidly increasing population throughout the State has taxed existing recreational and park facilities in many areas, resulting in many seriously dangerous situations in respect to public health and safety. Presently the law contains certain inconsistencies in respect to the number of members to be elected to district governing bodies, making it impossible to form such districts. In order to clarify the law, to provide such facilities, and to preserve the public health and safety, it is necessary that this act take effect immediately.

CHAPTER 434

An act to amend Section 9502 of the Business and Professions Code, relating to dyeing.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 9502 of the Business and Professions Code is amended to read:

9502. "Dyeing" means the process of coloring wearing apparel, feathers, furs, hats, fabrics, or textiles by the use of aniline dyes, mordants, or acid, with or without steam, excluding, however, the use of any dye or combination of dyes which is directly soluble or dispersible in water and which does not require chemical alteration of its structure for application, where such dye or combination of dyes is applied to cotton, viscose rayon, or cuprammonium rayon other than wearing apparel.

CHAPTER 435

An act to amend Section 850 of the Labor Code, relating to working hours of pharmacy employees.

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 850 of the Labor Code is amended to read:

850. No person employed to sell at retail drugs and medicines or to compound physicians' prescriptions shall perform any work in any store, dispensary, pharmacy, laboratory, or office for more than an average of nine hours per day, or for more than 108 hours in any two consecutive weeks or for more than 12 days in any two consecutive weeks, except that any registered pharmacist may be so employed and may perform such work for the full period of time permitted by this section.

CHAPTER 436

An act to amend Section 851 of the Labor Code, relating to working hours of pharmacy employees.

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 851 of the Labor Code is amended to read:

851. No person employing another person to sell at retail drugs and medicines or to compound physicians' prescriptions shall require or permit such employee to perform any work in any store, dispensary, pharmacy, laboratory, or office for more than an average of nine hours per day, or for more than 108 hours in any two consecutive weeks or for more than 12 days in any two consecutive weeks, except that any registered pharmacist may be so employed and may perform such work for the full period of time permitted by this section.

CHAPTER 437

An act to add Section 30.1 to the Agricultural Code, relating to production of trees.

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 30.1 is added to the Agricultural Code, to read:

30.1. Inasmuch as the planned production of trees is distinguishable from the production of other products of the soil only in relation to the time elapsing before maturity, the production of trees shall be considered a branch of the agricultural industry of the State for the purposes of any law providing for the benefit or protection of the agricultural industry of the State.

CHAPTER 438

An act to amend Section 2701 of the Water Code, relating to reopening proceedings for adjudication of water rights.

[Approved by Governor May 10, 1955. Filed with Secretary of State May 10, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2701 of the Water Code is amended to read:

2701. Within 30 days after notice by the department to the parties of entry in the records of the department of an order of determination, the department may, for good cause shown, reopen the proceedings and grant a rehearing.

CHAPTER 439

An act to add Section 2615 to the Business and Professions Code, relating to registered physical therapists.

[Approved by Governor May 10, 1955. Filed with Secretary of State May 10, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2615 is added to the Business and Professions Code, to read:

2615. Graduates of approved physical therapy schools who have filed an application for registration with the board, may, between the date of filing and the publication of the results of the next succeeding examination for registration, practice as physical therapists under the supervision of a physician and surgeon and a registered physical therapist in a licensed hospital, clinic, or sanitarium, or under the direct and immediate supervision of a registered physical therapist who is employed as such in the office of a physician and surgeon. Graduate physical therapists practicing under this section shall be exempt from each and all of the provisions of Chapter 5.7 of Division 2 of this code. The authority granted in this section is limited to those graduates of approved schools who are eligible for registration under this chapter and who qualify for and take the first examination for registration that occurs after graduation. If a person practicing under this section shall fail to pass such an examination, all privileges under this section shall automatically cease.

CHAPTER 440

An act to amend Section 952 of the Agricultural Code, relating to cotton industry and the products thereof.

[Approved by Governor May 10, 1955. Filed with Secretary of State May 10, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 952 of the Agricultural Code is amended to read:

952. District number two shall consist of the County of Kern; district number three shall consist of the County of Madera; district number four shall consist of the County of Fresno; district number five shall consist of the County of Kings; district number six shall consist of the County of Tulare; district number seven shall consist of the County of Merced; district number eight shall consist of the County of Stanislaus; district number nine shall consist of the County of San Joaquin; district number ten shall consist of the area of the Imperial Irrigation District as the boundaries of the district were constituted on January 1, 1955.

CHAPTER 441

An act to add Sections 32004.7, 32004.8, 32004.9, 32004.91, and 32004.92 to the Health and Safety Code, relating to hospital districts.

In effect
September
7, 1955

[Approved by Governor May 10, 1955. Filed with
Secretary of State May 10, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 32004.7 is added to the Health and Safety Code, to read:

Exclusion of
land from
local hospital
district

32004.7. A petition for exclusion of land from any local hospital district shall be signed by registered voters residing within the territory proposed to be excluded, equal in number to at least 15 percent of the number of votes cast in that territory for the Office of Governor at the last preceding election at which a Governor was elected, but not fewer than 200; provided, however, that no land shall be excluded hereunder from a district if the exclusion would result in (a) the reduction of the assessed valuation of all property in the district below the assessed valuation of all of the property in the district at the time of its formation or, if a hospital has been constructed by the district, at the date patients are first treated therein, or (b) the reduction of the population of the district below the population of the district at the time of its formation or, if a hospital has been constructed by the district, at the date patients have been first treated therein. The population estimate shall be determined on the same basis as the estimate prepared for the State Department of Public Health for hospital service areas. If upon the hearing held upon the petition the governing body determines that the petition is sufficient, that the residents of the area will not be substantially benefited by the operations of the district, and that the exclusion is for the best interests of the district, it shall by resolution declare the territory excluded and shall describe the altered boundaries of the district. If, however, the governing body determines that the petition is sufficient, but that the residents of the area will be benefited by the operations of the district or that the exclusion is not for the best interest of the district, it

shall call and hold an election within the territory or area proposed to be excluded, as the boundaries thereof are described in a resolution of the board of directors of such district adopted at the termination of such hearing, to decide whether or not the proposed exclusion shall take place. If a majority of the votes cast at such election, in said territory, be in favor of exclusion, the district governing body shall by resolution declare the territory excluded and shall describe the altered boundaries of the district.

SEC. 2. Section 32004.8 is added to said code, to read:

32004.8. The hearing, notice, election, fixing of boundaries, declaration of exclusion by resolution, and filing of the resolution, unless otherwise provided in Section 32004.7, shall be as in the manner provided by Sections 32004.3, 32004.4, and 32004.5 relating to annexation of territory. Procedure

SEC. 3. Section 32004.9 is added to said code, to read:

32004.9. Any area excluded from a district shall be subject to assessment and be otherwise chargeable for the payment and discharge of all of the obligations outstanding at the time of the filing of the petition for the exclusion of the area as fully as though the area had not been excluded. All provisions which could be used to compel the payment by an excluded area of its portion of the outstanding obligations had the exclusion not occurred may be used to compel the payment on the part of the area of the portion of the outstanding obligations of the district for which it is liable. Liability for outstanding obligations

SEC. 4. Section 32004.91 is added to said code, to read:

32004.91. An excluded area is not subject to assessment or otherwise chargeable for any obligation of any nature or kind incurred after the filing with the governing body of the district of the petition for the exclusion of the area from the district. Exemption from future obligation

SEC. 5. Section 32004.92 is added to said code, to read:

32004.92. The exclusion procedures provided by Section 32004.7 through Section 32004.91 are in the alternative to the exclusion procedures contained in Section 32002 and Chapter 5 of this division. Alternative procedure

CHAPTER 442

An act to add Sections 15031.5 and 15500.4 to, and to amend Sections 15500 and 15501 of, the Health and Safety Code, relating to housing and buildings on the same lot.

[Approved by Governor May 10, 1955 Filed with
Secretary of State May 10, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 15031.5 is added to the Health and Safety Code, to read:

15031.5. "Washing machine room" means a structure used exclusively by the occupants of an apartment house or hotel "Washing machine room"

in which appliances or facilities are installed to wash and dry clothing.

Sec. 2. Section 15500 of said code is amended to read:

Distance
between
building,

15500. No building, and no structure, except a garage or washing machine room permitted by this article, shall be placed on the front or the rear of any interior lot on which an apartment house or hotel is situated within a distance of 20 feet from the apartment house or hotel, plus two additional feet for every story over two of the highest building or structure on the lot.

Sec. 3. Section 15500.4 is added to said code, to read:

Washing
machine
room loca-
tion

15500.4. A structure not more than one story in height to be used exclusively as a washing machine room by the occupants of an apartment house or hotel may be erected on the rear of an interior lot on which the apartment house or hotel is situated within a distance of 20 feet from the apartment house or hotel, if the structure does not encroach upon or occupy any portion of the lot required to be used or left vacant for use as a rear yard.

Sec. 4. Section 15501 of said code is amended to read:

Garage

15501. A structure not more than one story in height to be used as a garage solely by the occupants of an apartment house or hotel may be erected on the front or rear of an interior lot on which an apartment house or hotel is situated within a distance of 20 feet from the apartment house or hotel, if it will not encroach upon or occupy any portion of the lot required to be used or left vacant for any use as set forth herein.

CHAPTER 443

An act to amend Section 451.1 of the Vehicle Code, relating to traffic regulations and signs.

In effect
September
7, 1955

[Approved by Governor May 11, 1955. Filed with
Secretary of State May 12, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 451.1 of the Vehicle Code is amended to read:

451.1. Obedience to Firemen. It is unlawful to wilfully fail or refuse to comply with any lawful order, signal, or direction of any member of any fire department, paid, volunteer, or company operated, when wearing the badge or insignia of a fireman and when in the course of his duties he is protecting the personnel and fire department equipment

CHAPTER 444

An act to add Section 5468 to the Public Resources Code, relating to county recreational districts comprising federally owned land and prescribing the powers and duties of such districts.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5468 is added to Article 2 of Chapter 3 of Division 5 of the Public Resources Code, to read:

5468. The provisions of this section apply only to districts in which at the time of their formation all of the land was owned by the United States. A district may lease or otherwise acquire control of all or any of the land in the district from the United States upon such terms as may be mutually agreed upon by the trustees of the district and the United States. A district may, in turn, rent or sublease any of such land to any person for any purpose, recreational or otherwise, which is not inconsistent with the terms of the lease or other agreement under which the district holds the land under the United States. Subject to the terms and limitations of its lease or agreement with the United States, a district shall fix the terms and conditions under which such land shall be rented or leased by it. Notwithstanding any other provision of law a member of the board of trustees of a district may rent or lease land from the district for use as a home-site or camp-site.

CHAPTER 445

An act to amend Sections 809 and 811 of, and to repeal Sections 810 and 810.5 of, the Fish and Game Code, relating to clams.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 809 of the Fish and Game Code is amended to read:

809. In Districts 1½, 8 and 9 the bag limit on Washington clams and gapers, sometimes known as big neck clams, is twenty-five (25) in the aggregate. In all other districts the bag limit is 10 Washington clams and 10 gapers. Not more than the prescribed daily bag limit may be possessed by any person during one day, except that a market or restaurant, where clams are sold to the public, may possess any number of Washington clams and gapers legally taken. In Districts 8 and 9 the holder of a commercial fishing license who has in his possession a current daily written order for clams issued by a fish dealer

Bag limit on
Washington
clams and
gapers

or restaurant may possess any number of Washington clams and gapers legally taken up to but not exceeding the number specified in such order.

Repeal

SEC. 2. Sections 810 and 810.5 of said code are repealed.

SEC. 3. Section 811 of said code is amended to read:

Restrict on
re other
clams

811. The species of clams commonly known as littlenecks, chiones and hard-shell cockles, including thin-shelled littleneck, common littleneck, Japanese littleneck, rough-sided littleneck, smooth chione, wavy chione, banded chione may be taken at any time, except in the waters of Marin County where such cockles may be taken only between September 1st and March 31st. No such clams measuring less than one and one-half inches in greatest diameter may be taken, possessed, transported or sold. The bag limit on such clams is 50 per day, in the aggregate. Not more than one daily bag limit of such clams may be possessed by any person during one day. Clams of the species herein designated and which are of legal size as herein provided when taken outside the State, and brought within the State, may be possessed, transported, and sold without restriction.

CHAPTER 446

An act to amend Section 4919 of the Education Code, relating to the reorganization of school districts.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 4919 of the Education Code is amended to read:

4919. The officers of the election in each district or portion of a district in which the election is held shall canvass the votes immediately after the closing of the polls. The canvass may be continued from day to day until completed. The provisions of the Election Code providing for absentee voting shall apply and the county superintendent of schools shall count absentee ballots on the seventh day after the election. Upon the completion of the canvass the election officers shall notify the county superintendent of schools of the votes cast for and against the proposed unification of school districts. The county superintendent of schools, after receiving the returns from all election officers, shall tabulate them and the absentee ballots and notify the board of supervisors of the number of votes cast for, and the number of votes cast against, the unification of school districts in each elementary school district or unified school district and also the total number of votes cast for, and the total number of votes cast against, the unification of school districts.

If a majority of all the votes cast are cast in favor of the unification, the proposal carries; except, that if the voters in one (1) district, or portion of a district cast a majority of all

the votes cast at the election. then, the proposal must carry by a majority in such district, or portion of a district, and, in addition, by a majority of the combined votes of all the other districts or portion of districts, as the case may be, concerned. If the majority of all votes cast in a unified district containing an incorporated city in which a high school has been maintained for 40 years or more are opposed to unification, the unified district shall not be included. If the unification carries at the election the board of supervisors of the county in which the area, or the greater part thereof, is situated, shall cause an entry of that fact to be entered in its minutes and the unification shall be deemed to be accomplished, subject to the provisions of Article 6 of this chapter.

CHAPTER 447

An act to add Section 23045 to, to amend Sections 23009, 23042, 23043, 23044, 23100, 23101, 23102, 23103, 23104, 23104.3, 23104.4, 23105, 23106, 23107, 23108, 23109, 23320, 23321, 23322, 23323, 23324, 23326, 23327, 23328, 23329, 23330, 23331, 23332, 23372, 23377, 23378, 23381, 23383, 23384, 23386, 23387, 23389, 23390, 23391, 23392, 23430, 23452, 23455, 23660, 23666, 23667, 23668, 23669, 23778, 23779, 23787, 23789, 23792, 23820, 23821, 23822, 23823, 23950, 23951, 23952, 23957, 23958, 23985, 23986, 23987, 23988, 24010, 24011, 24012, 24013, 24014, 24015, 24016, 24041, 24042, 24043, 24045, 24046, 24047, 24048, 24049, 24050, 24070, 24072, 24073, 24074, 24076, 24200, 24200.5, 24201, 24202, 24203, 24204, 24300, 24301, 24756, 24757, 24857, 24869, 24873, 24874, 24875, 24876, 24878, 24880, 24881, 25000, 25001, 25005, 25006, 25010, 25174, 25201, 25203, 25236, 25350, 25352, 25354, 25355, 25356, 25357, 25358, 25359, 25368, 25372, 25500, 25370, 25371, 25604, 25606, 25607, 25612, 25616, 25750, 25751, 25752, 25753, 25754, 25755, 25756, 25757, 25758, 25759, and 25760 of, and to repeal Section 23961 of, the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 23009 of the Business and Professions Code is amended to read:

23009. "Licensee" means any person holding a license issued by the department.

SEC. 2. Section 23042 of said code is amended to read:

23042. "Board" means the State Board of Equalization, in the exercise of the powers and duties with respect to excise taxes reserved to it by Section 22 of Article XX of the Constitution.

SEC. 3. Section 23043 of said code is amended to read :

"Depart-
ment"

23043. "Department" means the Department of Alcoholic Beverage Control, and "director" means the Director of Alcoholic Beverage Control.

SEC. 4. Section 23044 of said code is amended to read :

"License "

23044. "License" means a license authorized to be issued by the department pursuant to this division.

SEC. 5. Section 23045 is added to said code, to read :

"Appeals
board"

23045. "Appeals board" means the Alcoholic Beverage Control Appeals Board.

SEC. 6. Section 23100 of said code is amended to read :

Sale of
stock after
surrender,
etc. of
license

23100. Any person in possession of a stock of lawfully acquired alcoholic beverages following the revocation or voluntary surrender of, or failure to renew, his license may sell the stock, under supervision of the department in such manner as the department by rule provides, to licensees authorized to sell the alcoholic beverages.

SEC. 7. Section 23101 of said code is amended to read :

Possessor of
warehouse
receipts

23101. Any bank, trust company, or financial institution owning or possessing warehouse receipts for alcoholic beverages, which warehouse receipts were acquired by the bank, trust company, or financial institution as security for a loan, may, after permission has been given by the department, sell the warehouse receipts to a licensee authorized to sell such alcoholic beverages or such warehouse receipts.

SEC. 8. Section 23102 of said code is amended to read :

Administra-
tors, etc

23102. Any person acting as administrator, executor, or guardian of the estate of a retail licensee, as receiver for a retail licensee, as trustee of the bankrupt estate of a retail licensee, or as assignee for the benefit of creditors of a retail licensee, may, after receiving permission from the department, sell and deal in alcoholic beverages under authority of the license issued to the retail licensee for a period not exceeding 45 days from the date of the appointment of the person as administrator, executor, guardian, receiver, trustee, or assignee for the benefit of creditors.

SEC. 9. Section 23103 of said code is amended to read :

23103. The administrator, executor, or guardian of the estate, or receiver, or assignee for the benefit of creditors, or trustee of the bankrupt estate of a licensee other than a retail licensee, may, after receiving the permission of the department, on such terms and conditions as the department prescribes, operate under the license issued to the licensee, pending transfer of the license to such person, for a period not exceeding 45 days. The terms and conditions prescribed by the department shall include the filing of an appropriate bond under the applicable provisions of this division conditioned upon the payment of all excise taxes, penalties, and interest assessed against or imposed upon such persons in those cases in which such persons are liable for the payment of excise taxes, penalties, and interest under the provisions of this division.

SEC. 10. Section 23104 of said code is amended to read:

23104. Any insurance company may, or any common carrier acting as an insurer for losses to persons shipping alcoholic beverages may, after permission has been granted by the department, take possession of and sell any alcoholic beverages the containers of which have been damaged by fire or otherwise to licensees authorized to sell the alcoholic beverages. Any licensee so qualified may purchase and accept delivery of the alcoholic beverages from the insurance company or common carrier so authorized to sell. This permission extends only to alcoholic beverages owned by a licensee and insured against loss or damage by the insurance company or common carrier applying for the permission. Insurance company, etc

SEC. 11. Section 23104.3 of said code is amended to read:

23104.3. A retail licensee may make a return of distilled spirits to the wholesaler, rectifier or manufacturer from whom he purchased the distilled spirits or to the successor of such wholesaler, rectifier or manufacturer, or in the event that such wholesaler, rectifier or manufacturer has ceased carrying on a business licensed under this division and there is no successor to such business, the return may be made to some other wholesaler, rectifier or manufacturer after the retail licensee has obtained from the department approval to make such return. A retail licensee may exchange a package of distilled spirits for a similar package of the same brand with any manufacturer, rectifier or wholesaler whether or not the retail licensee had purchased the package from the manufacturer, rectifier or wholesaler with whom he is exchanging it for a similar package of the same brand. Return of distilled spirits

SEC. 12. Section 23104.4 of said code is amended to read:

23104.4. An executor or administrator of the estate of a deceased person who was not a licensee at the time of his death but in whose estate there is included an inventory of alcoholic beverages, or the guardian of the estate of an incompetent person in whose estate there is included an inventory of alcoholic beverages, is authorized to sell such alcoholic beverages to a licensee authorized to sell the same in accordance with regulations prescribed by the department. Executors, administrators etc

SEC. 13. Section 23105 of said code is amended to read:

23105. In accordance with rules prescribed by the department, a warehouseman may sell alcoholic beverages to enforce the lien provided for by the Warehouse Receipts Act only to licensees authorized to sell the alcoholic beverages. Notice of the time and place of the sale shall be given to the department prior to the sale. Warehouseman

SEC. 14. Section 23106 of said code is amended to read:

23106. (a) Wine stored in a winery, wine storeroom, or field warehouse bonded under the internal revenue laws of the United States and brandy in bulk stored in an internal revenue bonded warehouse may be stored by or for any licensee without the necessity of any license by the person furnishing or providing the storage space. Storage of wine, etc

(b) Beer and wine upon which excise taxes have been paid to the State at the rate fixed under this division, may be stored by or for any licensee in any private or public warehouse or elsewhere in this State without the necessity of any license by the person furnishing or providing the storage space or any special additional license by the licensee.

(c) Any other alcoholic beverage may, without the necessity of any additional license, be stored by or for a licensee in private warehouses approved by the department, if within the limits of the county in which the licensee's licensed premises are located, or in a public warehouse within that county, or may be stored in bond in a public warehouse outside that county if the public warehouse is also a United States Customs bonded warehouse, a United States Internal Revenue bonded warehouse, or United States bonded storeroom.

SEC. 15. Section 23107 of said code is amended to read:

Export

23107. Any person may, in accordance with rules and regulations to be prescribed by the department, purchase and take delivery of alcoholic beverages within this State for delivery or use without the State and may, without obtaining any license in this State, export the same from this State within 90 days from the date of such purchase.

SEC. 16. Section 23108 of said code is amended to read:

23108. Licensees of other states may purchase bulk brandy produced in this State and stored in an internal revenue bonded warehouse in this State or may purchase warehouse receipts covering the brandy for storage in this State, and may subsequently, without obtaining any license therefor in this State, export the brandy in accordance with the rules prescribed by the department. The sale of brandy or warehouse receipts pursuant to this section by a taxpayer to the purchasing licensee of another state shall be exempt from the excise tax levied by Section 24465.

SEC. 17. Section 23109 of said code is amended to read:

Beverages
in transit

23109. Alcoholic beverages in continuous transit through this State are exempt from the provisions of this division only while in continuous transit through this State in the possession or custody of common carriers. The department may require affidavits of any person on forms prescribed by the department and may require any such shipments to be checked in and checked out at the boundaries of the State. Any person refusing to make the affidavits required or refusing to check in or check out the alcoholic beverages is guilty of a misdemeanor.

SEC. 18. Section 23320 of said code is amended to read:

Fees

23320. The following are the types of licenses to be issued under this division and the annual fees to be charged therefor:

- | | |
|--|-------------------|
| (1) Beer manufacturer's license ----- | \$325.00 per year |
| (2) Wine grower's license (to be computed
only on the gallonage produced),
5,000 gallons or less ----- | 22.00 per year |
| Over 5,000 gallons to 20,000 gallons per
year ----- | 44.00 per year |

Over 20,000 to 100,000 gallons per year	\$82.50 per year
Over 100,000 to 200,000 gallons per year	110.00 per year
Over 200,000 gallons to 1,000,000 gallons a year-----	165.00 per year
For each 1,000,000 gallons or fraction thereof over 1,000,000 gallons an additional -----	110.00 per year
(3) Brandy manufacturer's license -----	165.00 per year
(4) Distilled spirits manufacturer's license	275.00 per year
(5) Distilled spirits manufacturer's agent's license -----	275.00 per year
(6) Still license -----	11.00 per year
(7) Rectifier's license -----	275.00 per year
(8) Wine rectifier's license-----	275.00 per year
(9) Beer bottling or packaging license----	550.00 per year
(10) Beer and wine importer's license-----	No fee
(11) Brandy importer's license -----	No fee
(12) Distilled spirits importer's license----	No fee
(13) Public warehouse license-----	11.00 per year
(14) Customs broker's license-----	55.00 per year
(15) Wine broker's license -----	55.00 per year
(16) Beer and wine wholesaler's license----	55.00 per year
(17) Distilled spirits wholesaler's license---	275.00 per year
(18) Industrial alcohol dealer's license-----	55.00 per year
(19) Retail package off-sale beer and wine license -----	11.00 per year
(20) Retail package off-sale general license for the first \$10,000 retail sales of distilled spirits per year-----	121.00 per year
For each \$1,000 or fraction thereof of retail sales of distilled spirits over \$10,000 per year-----	11.00 per year
But not exceeding in all the maximum of -----	825.00 per year
(21) On-sale beer license-----	27.50 per year
(22) On-sale beer and wine license -----	82.50 per year
(23) On-sale beer and wine license for trains (per train) -----	16.50 per year
(24) On-sale beer and wine license for boats (per boat) -----	55.00 per year
(25) On-sale general license -----	82.50 per year
plus an additional fee as set by the department for the distilled spirits privileges	
(26) On-sale general license for seasonal business -----	20.62 per quarter year
plus an additional fee as set by the department for the distilled spirits privileges	

Every fee imposed with respect to a license by any other provision of this division shall be increased to an amount equal to ten percent (10%) of the amount of such fee.

The increase in fees made by this amendment shall not be affected by the limitation placed by Section 26004 upon the existence of the Alcoholic Rehabilitation Commission.

SEC. 19. Section 23321 of said code is amended to read:

Fees on
boats and
trains

23321. In fixing license fees for on-sale general licenses, the department may place common carrier boats and trains in a separate classification or separate classifications, and fix different or lesser license fees for boats or for trains than those fixed for other on-sale general licenses, giving consideration to the limited number of possible customers on boats or on trains and the limited number of hours within which it is practicable to exercise the license on a boat or on a train.

SEC. 20. Section 23322 of said code is amended to read:

Fee reduc-
tion

23322. The fees specified in Sections 23320 and 23321 shall be reduced 25 percent for each full quarter of a year elapsing between the first day of the year for which the license is issued and the date on which the application for the license is filed with the department; except that when an application clearly indicates that the applicant does not desire to exercise the privileges granted by the license applied for until on or after the beginning of the quarterly period following the quarterly period in which the application is filed with the department, such fees shall be reduced 25 percent for each full quarter of a year elapsing between the first day of the year for which the license is issued and the date so indicated in the application. In no event shall any license, other than a temporary on-sale beer or wine license, be issued for any period for a fee less than one-half of the annual license fee.

SEC. 21. Section 23323 of said code is amended to read:

Refund
power not
restricted

23323. The provisions of Section 23322 do not restrict the power of the department to make the refunds authorized by Section 23960.

SEC. 22. Section 23324 of said code is amended to read:

Graduated
fee. Author-
ized amount
reduced

23324. When the fee for any license is graduated according to the amount of alcoholic beverages sold under the license, and the license is applied for after the beginning of the license year, the amount of alcoholic beverage authorized to be sold under the license shall be reduced proportionately with the reduction in fee provided in Section 23322 in accordance with such rules and regulations as the department may prescribe.

SEC. 23. Section 23326 of said code is amended to read:

Off-sale
general
licensee's
report

23326. Off-sale general licensees shall report quarterly at such time and in such manner as the department may prescribe the amount of distilled spirits sold during the preceding quarter. If any report shows that the total amount of distilled spirits sold during the year exceeds the amount permitted annually by the license fee already paid the department, the licensee shall accompany the report with such additional license fee as may be unpaid in accordance with the schedule provided in Section 23320. If any off-sale general licensee for any reason quits business, he shall within 15 days after the date of quit-

ting business make a final report and payment of any additional license fee disclosed by his report or by an investigation by the department to be unpaid.

SEC. 24. Section 23327 of said code is amended to read:

23327. Persons holding wine growers' licenses shall report annually at the end of each fiscal year, at such time and in such manner as the department may prescribe, the amount of wine produced by them during the fiscal year. Wine growers' report

If the total amount of wine produced during the year exceeds the amount permitted annually by the license fee already paid the department, the licensee shall pay such additional license fee as may be unpaid in accordance with the schedule provided in Section 23320.

SEC. 25. Section 23328 of said code is amended to read:

23328. If a licensee neglects or refuses to make a report as required by Sections 23326 and 23327, the department shall make an estimate based upon any information in its possession, or that may come into its possession, of the amount of the retail sales of distilled spirits or of wine produced, as the case may be, of the delinquent licensee for the periods with respect to which he failed to make a report and, upon the basis of the estimated amount, compute and assess the additional license fees payable by the delinquent licensee. An assessment may be made of the amount of license fees due for more than one period. The department shall give the delinquent licensee written notice of the estimated license fee. Delinquent licensee

SEC. 26. Section 23329 of said code is amended to read:

23329. If the department is not satisfied with a report required to be filed by Sections 23326 and 23327, it may make an additional assessment of license fees due based upon the facts contained in the report or upon any information within its possession, or that comes into its possession. An additional assessment may be made of the license fees for more than one period. In making an additional assessment the department may offset overpayments for periods against underpayments for other periods. The department shall give the licensee written notice of the additional assessment. Additional assessment

SEC. 27. Section 23330 of said code is amended to read:

23330. Any licensee against whom an assessment is made by the department pursuant to Section 23328 or 23329 may petition for reassessment within 15 days after service upon the licensee of notice of the assessment. If a petition for reassessment is not filed within the 15-day period, the amount of the assessment becomes final at the expiration thereof. Petition for reassessment

SEC. 28. Section 23331 of said code is amended to read:

23331. If a petition for reassessment is filed within 15 days, the department shall reconsider the assessment and, if the licensee has so requested in his petition, shall grant the licensee an oral hearing and give the licensee 10 days' notice of the time and place of hearing. The department may continue the hearing from time to time as may be necessary. The department may decrease or increase the amount of the assess- Same Hearing

ment. The amount of the assessment may be increased, however, only if a claim for the increase is asserted by the department at or before the hearing.

SEC. 29. Section 23332 of said code is amended to read:

Board's
decision
final

23332. The order or decision of the department upon a petition for reassessment becomes final upon service upon the licensee of notice of the order or decision. All assessments made by the department in regard to license fees become due and payable at the time they become final.

SEC. 30. Section 23372 of said code is amended to read:

Wine
rectifier's
license

23372. A wine rectifier's license authorizes the person to whom issued to cut, blend, rectify, mix, flavor, or color wine upon which the excise tax imposed by this division has been paid, and whether so cut, blended, rectified, mixed, flavored, or colored by him, or any other person, to package, label, export, and sell the products to persons holding licenses issued by the department authorizing the sale of wine. The holder of a wine rectifier's license may apply for and hold a wine importer's license, a distilled spirits manufacturer's license, or a distilled spirits manufacturer's agent's license. A wine rectifier's license shall not be issued to or held by the holder of a retail off-sale or retail on-sale license.

SEC. 30.5. Section 23377 of said code is amended to read:

Wine
broker's
license

23377. A wine broker's license authorizes the person to whom issued to act as a wine broker, for a fee or commission, in the purchase of wine for or on behalf of a person within or without this State authorized to buy wine for purposes of resale and in the sale of wine for or on behalf of a person, other than a retail licensee, licensed to sell wine within the State. A wine broker shall not buy or sell any wine for his own account, take or deliver title to wine, or receive or store any wine in his own name in this State. A wine broker shall not offer to sell, agree to offer to sell, or sell any wine unless he first has a bona fide authorization to do so from a person, other than a retail licensee, licensed to sell wine in this State. A wine broker shall not offer to buy, agree to buy, agree to offer to buy, or buy any wine unless he first has a bona fide authorization to do so from a person within or without this State authorized to buy wine for purposes of resale. The exercise of the privileges granted by the wine broker's license are subject to such rules and conditions as the department deems necessary and proper.

SEC. 31. Section 23378 of said code is amended to read:

Wholesaler's
license

23378 Any wholesaler's license authorizes the sale of the alcoholic beverage specified in the license only to persons holding licenses issued by the department authorizing the sale of the alcoholic beverage, and authorizes the exportation of the alcoholic beverage.

SEC. 32. Section 23381 of said code is amended to read:

Certain
licenses
Authoriza-
tions

23381. Any manufacturer's, wine grower's, manufacturer's agent's, rectifier's or wholesaler's license authorizes the licensee to:

(a) Deal in warehouse receipts, for the kind of alcoholic beverages which the licensee is authorized to sell, with other licensed manufacturers, wine growers, distilled spirits manufacturer's agents, rectifiers, or wholesalers who are authorized to sell the kind of alcoholic beverages covered by the warehouse receipt.

(b) Sell warehouse receipts for brandy produced in this State to licensees of other states who are authorized to deal in brandy, for the purpose of storage of the brandy covered by the warehouse receipts in internal revenue bonded warehouses in this State for subsequent export to another state.

Nothing in this division prohibits the sale of a warehouse receipt for alcoholic beverages by any other person, in accordance with rules adopted by the department, to manufacturers, wine growers, manufacturer's agents, rectifiers, and wholesalers licensed to sell the kind of alcoholic beverages covered by the warehouse receipt when the warehouse receipt was acquired by the person prior to May 1, 1941.

SEC. 33. Section 23383 of said code is amended to read:

23383. Any manufacturer's, wine grower's, manufacturer's agent's, importer's, rectifier's, or wholesaler's license also authorizes the transfer of title to the alcoholic beverages specified in the license to other licensed manufacturers, wine growers, manufacturer's agents, importers, rectifiers, and wholesalers when the alcoholic beverages are in storage in a licensed public warehouse, United States customs bonded warehouse, United States internal revenue bonded warehouse, or United States bonded storerooms located at any place within the State without any additional or other license therefor. Such licenses also authorize the sale of alcoholic beverages specified in the license to persons who, under such procedure as shall be established by the department, take delivery of the alcoholic beverages in this State for delivery or use without the State.

Further authorizations

SEC. 34. Section 23384 of said code is amended to read:

23384. Any licensed beer manufacturer, wine grower, brandy manufacturer, rectifier, or wholesaler may, in addition to the other privileges exercised under his license and in accordance with rules prescribed by the department, sell tax-paid alcoholic beverages mentioned in the license of the licensee to nonlicensees having a fixed place of business or residence upon territory within this State which is maintained by the United States Government as a military or naval reservation or national park.

Sale to military reservations, etc

SEC. 35. Section 23386 of said code is amended to read:

23386. Any manufacturer's, wine grower's, manufacturer's agent's, rectifier's, importer's, or wholesaler's license also authorizes the giving away of samples of the alcoholic beverages which are authorized to be sold by the license under such rules as shall be prescribed by the department. A retail license does not authorize the furnishing or giving away of any free samples of alcoholic beverages.

Free samples

SEC. 36. Section 23387 of said code is amended to read:

For use
without
the State

23387. In addition to the other privileges exercised under a wholesaler's or rectifier's license, a wholesaler or rectifier may sell the alcoholic beverages mentioned in his license to persons who take delivery of such alcoholic beverages within this State for delivery or use without the State within 90 days from the date of such sale in accordance with rules and regulations prescribed by the department.

SEC. 37. Section 23389 of said code is amended to read:

Duplicate
license
Beer man-
ufacturers

23389. A licensed beer manufacturer may sell and deliver beer from branch offices located away from his place of manufacture and exercise all his license privileges, other than manufacture, at or from the branch offices. The department shall upon request issue to a beer manufacturer a duplicate of his original license which shall authorize the maintenance and operation of each branch declared and designated by him, upon the payment for each duplicate of an amount equal to the license fee payable for a like period for a wholesale beer and wine license.

SEC. 38. Section 23390 of said code is amended to read:

Same Wine
growers, etc

23390. A licensed wine grower or brandy manufacturer, in addition to exercising all the privileges of his license at his licensed premises, may exercise all his license privileges at or from branch offices or warehouses, or United States bonded storerooms located away from his place of production or manufacture, other than production or manufacture and the sale or delivery of wine to consumers in containers supplied, furnished, or sold by the consumer. The department shall upon request issue to a wine grower or brandy manufacturer a duplicate of his original license for a location or locations other than his wine production or brandy manufacture premises. The duplicate license authorizes the maintenance and operation of each branch or warehouse or United States bonded storeroom declared and designated by the wine grower or brandy manufacturer at the location for which the duplicate license is issued. The fee for each duplicate wine grower's license is an amount equal to the license fee payable for a like period for a wholesale beer and wine license, and for each duplicate brandy manufacturer's license an amount equal to the fee paid for the original license.

SEC. 39. Section 23391 of said code is amended to read:

Violation at
branch office

23391. If a violation of any provision of this division or of any rule of the department is committed in the exercise of the license privileges authorized to be exercised at any branch office, and the violation becomes a matter of investigation, hearing, or decision by the department with relation to the license of the licensee, the department in making its ruling or decision, if the violation is found to be one committed in connection with the operation of the branch office and not a violation in connection with manufacturing or production or the manufacturing or production premises, shall not suspend, revoke, or interfere with the manufacturer's or wine grower's license

privileges or license at his place of manufacture or production but shall limit the application of its decision, permissible under this division, to and in connection with the particular duplicate license and the premises in the operation of which the violation occurred.

SEC. 40. Section 23392 of said code is amended to read:

23392. If a violation of any provision of this division or of any rule of the department is committed in connection with the premises where the act of manufacturing beer or producing wine is performed, the department in making its ruling or decision in connection with the violation shall limit its decision, permissible under this division, to and in connection with the license upon the premises of manufacture or production and to the particular function exercised by the licensee wherein a violation occurred, such as manufacturing, production, importing, exporting, packaging, labeling, selling to wholesalers, or selling to retailers, and any existing duplicate license for any branch office, unless the branch office actually participated in the commission of the violation, shall not be affected or interfered with by the decision or by reason of the violation.

Violation at
manufactur-
ing premises

SEC. 41. Section 23430 of said code is amended to read:

23430. The department may issue one club license to any club as defined in this article. The fee for a club license shall be seventy-five dollars (\$75) per year, plus an additional fee as set by the department for the distilled spirits privileges of the license. The fee for a club license shall not exceed the fee for an on-sale general license in the locality where the club is maintained.

Club license

SEC. 42. Section 23452 of said code is amended to read:

23452. The department may issue one veterans' club license to any post, chapter, camp or other local unit described in Section 23451 for the establishment, if otherwise satisfactory, where the post, chapter, camp, or other local unit maintains its club. The fee for a veterans' club license shall be in such amount as is set by the department, not to exceed the fee for an on-sale general license in the locality where the club is maintained.

Veterans'
club license

SEC. 43. Section 23455 of said code is amended to read:

23455. The department may revoke any license issued pursuant to this article whenever, in the judgment of the department, the licensee ceases to operate as a bona fide club.

Revocation

SEC. 44. Section 23660 of said code is amended to read:

23660. Postal authorities may refuse delivery of any shipment of alcoholic beverages originating outside this State. Postal authorities may turn alcoholic beverages over to the department. The alcoholic beverage when received shall be forfeited to the State.

Shipment
by post

SEC. 45. Section 23666 of said code is amended to read:

23666. Alcoholic beverages imported into this State contrary to the provisions of Sections 23661 to 23665, inclusive, shall be seized by the department.

Seizure

SEC. 46. Section 23667 of said code is amended to read:

Delivery
receipt

23667. Common carriers transporting alcoholic beverages into this State for delivery or use within this State or common carriers making delivery of alcoholic beverages so transported shall obtain from the licensed importer or customs broker a receipt on a form prescribed by the department for the alcoholic beverages so transported and delivered. If the consignee refuses to give the receipt and show his license to the carrier, the carrier is relieved of all responsibility for delivery of the alcoholic beverages.

SEC. 47. Section 23668 of said code is amended to read:

Same
Effect of
refusal

23668. Subject to the provisions of Section 23662, whenever the consignee is not a licensed importer or customs broker or whenever the consignee refuses to give his receipt and show his license, the carrier shall immediately notify the department at Sacramento giving full details as to the character of shipment, point of origin, destination, and address of the consignor and consignee, and within 10 days the alcoholic beverages shall be delivered to the department and shall be forfeited to the State.

SEC. 48. Section 23669 of said code is amended to read:

Proceeds of
forfeiture
sale

23669. If any alcoholic beverages seized under Section 23666 or forfeited under Section 23668 are sold by or under the direction of the department, the common carrier's unpaid freight and storage charges accruing on the shipments of the alcoholic beverages shall be satisfied out of the proceeds of any sale made by the State after deducting the cost of the sale and any excise taxes accruing thereon.

SEC. 49. Section 23778 of said code is amended to read:

Reasonable
stock

23778. A distilled spirits wholesaler's license shall not be held by any person unless at all times throughout the license year he has on his wholesale premises a reasonable stock of distilled spirits, as determined by the department, for which he has fully paid lawful money or its equivalent.

SEC. 50. Section 23779 of said code is amended to read:

Bona fide
business

23779. No wholesale license shall be issued to any person who does not in good faith actually carry on or intend to carry on a bona fide wholesale business by sale to retail licensees of the alcoholic beverage designated in the wholesale license, and the department may revoke any wholesale license when the licensee fails for a period of 45 days actively and in good faith to engage in the wholesale business and shall revoke any distilled spirits wholesaler's license held by any person who fails to comply with applicable provisions of Sections 23378, 23379, 23776, 23777, and 23778. Sale by a wholesale licensee to himself as a retail licensee is not the transaction of a bona fide wholesale business.

SEC. 51. Section 23787 of said code is amended to read:

Good faith
sale of meals

23787. The department shall, before issuing any on-sale license for the sale of alcoholic beverages, other than beers, to be consumed or otherwise disposed of in any hotel, restaurant, cafe, cafeteria, or other public eating place, determine

whether the hotel, restaurant, cafe, cafeteria, or other public eating place is equipped and maintained in good faith for sales to and consumption by the public of meals upon the premises.

SEC. 52. Section 23789 of said code is amended to read:

23789. The department is specifically authorized to refuse the issuance of on-sale retail licenses for premises located within the immediate vicinity of churches, hospitals, schools, and children's public playgrounds. Vicinity of churches, etc

SEC. 53. Section 23792 of said code is amended to read:

23792. No license, other than an on-sale beer license, shall be issued to any applicant for any premises situated more than one mile outside the limits of an incorporated city and within two miles of any camp or establishment of men, numbering 25 or more, engaged upon or in connection with the construction, repair, or operation of any work, improvement, or utility of a public or quasi-public character. This section does not apply to the renewal of any licenses for any premises which have been established and licensed under this division at least six months prior to the establishment of the camp or establishment of men, and such licenses, whether held by the original licensee to whom first issued or a subsequent holder thereof, shall be subject to transfer as to person and premises, or either, in the same manner as any other license of the same type and character issued by the department. Public construction camp

SEC. 54. Section 23820 of said code is amended to read:

23820. The department may make all rules consistent with the provisions of Section 22 of Article XX of the Constitution, or the provisions of this division, necessary to carry into effect the provisions of this article, and to restrict the issuance of alcoholic beverage licenses, including seasonal licenses, but not including beer, off-sale beer and wine, beer and wine wholesaler's, and wine grower's licenses, to such number in any county as the department shall determine is in the interest of public welfare and morals, convenience, or necessity. Discretionary restrictions

SEC. 55. Section 23821 of said code is amended to read:

23821. Whenever it is made to appear to the department by satisfactory evidence that the population in any county has increased by more than 1,000 or multiples of 1,000 inhabitants since the most recent United States decennial or special census, and it appears to the department that by reason thereof the inhabitants of the county are unjustly and unfairly discriminated against, and if the total number of licenses in such county do not then exceed the maximum specified in Section 23816 and 23817, the department may issue not to exceed one on-sale general license and one off-sale general license for each increase of 1,000 inhabitants in the county since the taking of the census. In all other respects the limitation hereinbefore provided for shall continue in effect. Population increase since census

SEC. 56. Section 23822 of said code is amended to read:

23822. Any person applying for an off-sale general license or on-sale general license on the ground of increased popula- Same Application

tion shall set forth in his application and shall affirmatively show all of the following:

(a) That he is a qualified applicant and that his premises qualify under the law and rules of the department.

(b) That the issuance of the license applied for would serve the public convenience or necessity.

(c) That the issuance of the license applied for would not be contrary to public welfare and morals.

(d) That inequality in the ratio of licenses exists between the community in which the applicant's premises are located and other communities in the State.

(e) That the population in the county for which the license is applied has increased to the extent and under the conditions mentioned in Section 23821.

SEC. 57. Section 23823 of said code is amended to read:

Same Investigation, etc

23823. When an application is filed with the department pursuant to Section 23822, it shall cause a full investigation to be made of all matters stated in and relating to the application.

If a protest against the issuance of any license is filed with the department, the hearing thereon shall be had and conducted as provided in this division.

SEC. 58. Section 23950 of said code is amended to read:

Form

23950. Application for a license shall be made to the department upon a form prescribed by the department.

SEC. 59. Section 23951 of said code is amended to read:

Contents

23951. The application shall contain the following:

(a) The name of the applicant

(b) In the case of a copartnership, the names of the individual partners.

(c) In the case of a corporation, the principal officers and directors.

(d) The location of the premises for which the license is applied.

(e) Such other information as the department may require to assist it in determining whether the applicant and the premises qualify for a license.

SEC. 60. Section 23952 of said code is amended to read:

Statement of violations, etc

23952. The application shall also contain a statement to the effect that the applicant has not been convicted of a felony and has not violated and will not violate or cause or permit to be violated any of the provisions of this division or any rule of the department applicable to the applicant or pertaining to the manufacture, sale, or distribution of alcoholic beverages, particularly any of the provisions of Sections 25500 to 25504, inclusive, or Sections 25611 to 25615, inclusive. If the applicant cannot make this statement the application shall contain a statement of the violation, if any, or reasons which will prevent the applicant from being able to comply with the requirements with respect to the statement.

SEC. 61. Section 23957 of said code is amended to read:

Premises to be constructed

23957. Applications for licenses for the retail sale of alcoholic beverages for premises which are to be constructed or

which are in the process of construction shall contain the information required by this article and such other information concerning the proposed premises as the department may require to assist it in determining whether the proposed premises will qualify for a license

SEC. 62. Section 23958 of said code is amended to read:

23958. Upon receipt of an application for a license or for a transfer of a license and the applicable fee, the department shall make a thorough investigation to determine whether the applicant and the premises for which a license is applied qualify for a license and whether the provisions of this division have been complied with, and shall investigate all matters connected therewith which may affect the public welfare and morals. The department shall deny an application for a license or for a transfer of a license if either the applicant or the premises for which a license is applied do not qualify for a license under this division. Investigation

SEC. 63. Section 23961 of said code is hereby repealed. Repeal

SEC. 64. Section 23985 of said code is amended to read:

23985. Before commencing to engage in the sale of any alcoholic beverage at any premises, notice of intention to so commence shall be posted in a conspicuous place at the entrance to the premises. Licenses shall not be issued for the premises until the notice has been so posted for 15 consecutive days immediately prior to the issuance of the licenses. The notice shall be in such form as the department shall prescribe. Posting of
notice of
intention

Notice of the application for a license pursuant to Section 24044 shall be posted on the premises for 15 days from the date of the application in the form and manner prescribed by the department.

SEC. 65. Section 23986 of said code is amended to read:

23986. Any applicant for an on-sale license shall, within ten (10) days after filing his application with the department, cause a notice of the application, giving the name or names of the applicant and the premises where the business is to be conducted, to be published once in a newspaper of general circulation in the city in which the premises are situated, or if the premises are not in a city the publication shall be made in a newspaper of general circulation nearest the premises where the business is to be conducted. The form of the notice shall be prescribed by the department. Affidavit of publication shall be filed with the department prior to the issuance of any license. Publication

SEC. 66. Section 23987 of said code is amended to read:

23987. Upon the receipt by the department of an original application for any license or an application for transfer of any license, written notice thereof, which shall consist of a copy of the application, shall immediately be mailed by the department to the sheriff, chief of police, and district attorney of the locality in which the premises are situated, to the board of supervisors of the county in which the premises are Notice to
sheriff, etc

situated, if in unincorporated territory, and to the city council or other governing body of the city in which the premises are situated, if within an incorporated area.

No license shall be issued or transferred by the department until at least 30 days after the mailing by the board of the notices required by this section.

SEC. 67. Section 23988 of said code is amended to read:

Protest,
hearing, etc

23988. Upon receipt by the department within such 30 days of a protest by the governing body of the city or county to whom notice of a license issuance or transfer application has been mailed against the issuance or transfer of a license, the department shall not issue or transfer the license until after a public hearing is held by the department within the county or city affected. The proceedings shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, and the department shall have all the powers granted therein.

SEC. 68. Section 24010 of said code is amended to read:

Grounds
for denial

24010. A written report of any officer, employee, or agent of the department engaged in the enforcement of this division disclosing that an applicant for a license or the premises for which a license is applied are not qualified for a license shall constitute grounds for the denial of an application for a license.

SEC. 69. Section 24011 of said code is amended to read:

Notice to
applicant,
petition

24011. Immediately upon the denial of any application for a license, the department shall notify the applicant in writing. Within 10 days after the department mails the notice, the applicant may present his written petition for a license to the department.

SEC. 70. Section 24012 of said code is amended to read:

Hearing

24012. Upon receipt by the department of a petition for a license in proper form, it shall be referred to a representative of the department for hearing.

SEC. 71. Section 24013 of said code is amended to read:

Protest

24013. Protests may be made to the department at any time prior to the original issuance of a license.

SEC. 72. Section 24014 of said code is amended to read:

24014. A protest made by any person other than an employee of the department or a public officer shall be verified. Verification may be on information and belief.

SEC. 73. Section 24015 of said code is amended to read:

Same as an
accusation

24015. If a license has been issued to the applicant before receipt of the protest by the department, the protest shall be considered as an accusation against the licensee and a hearing had thereon as if an accusation had been filed.

SEC. 74. Section 24016 of said code is amended to read:

Administra-
tive Proce-
dure Act

24016. The proceedings under this article shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, and the department has all the powers granted therein.

SEC. 75. Section 24041 of said code is amended to read:

24041. Separate licenses shall be issued for each of the premises of any business establishment having more than one location, except as provided for in Sections 23388, 23389, and 23390, and except that the holder of a public warehouse license maintaining or operating more than one public warehouse in this State shall be required to obtain but one license for all of his public warehouse establishments. A copy of the original public warehouse license issued to a public warehouseman maintaining or operating more than one public warehouse in this State shall be posted in each of his public warehouse establishments. A charge of one dollar (\$1) shall be made by the department for each copy of a public warehouse license issued to a public warehouseman.

SEC. 76. Section 24042 of said code is amended to read:

24042. Any licensee under an on-sale general license or an on-sale general license for seasonal business who maintains upon or within the premises for which the license is issued more than one room in which there is regularly maintained a fixed counter or service bar at which distilled spirits are served for consumption within the licensed premises shall obtain from the department, and the department shall upon request issue, a duplicate of his original license for each room, in excess of one, containing a fixed counter or service bar and shall post a duplicate of his original license in each such room. He shall pay to the department at the time of application for each duplicate license an amount equal to the license fee payable for a like period for the distilled spirits privileges of the original on-sale general license or on-sale general license for seasonal business. Failure to obtain the duplicate licenses and to pay the fees and renewal fees therefor shall subject the licensee to the penalties imposed by this division for failure to obtain an original license or to pay the renewal fees therefor.

SEC. 77. Section 24043 of said code is amended to read:

24043. Licenses for trains and boats shall be based on the average number in actual operation during the license year of each class of operating units, namely, trains and boats upon which the license privileges are exercised. The average number in actual operation shall be determined as the department may prescribe.

SEC. 78. Section 24045 of said code is amended to read:

24045. All retailer's on-sale licenses, except on-sale general licenses for seasonal businesses, shall be issued on a calendar year basis, except that the department may issue special licenses for the sale of beer or wine on a temporary basis for premises temporarily occupied by the licensee for a picnic, social gathering, or similar occasion at a fee of five dollars (\$5) per day. All other licenses shall be issued on the basis of a fiscal year, commencing July 1st and ending June 30th.

SEC. 79. Section 24046 of said code is amended to read:

24046. Upon receipt of any license, the licensee shall sign it and post it in a conspicuous place upon the licensed

premises Licenses issued for trains or boats may, in lieu of being posted upon the train or boat for which issued, be posted in such other place in this State as the department shall designate.

SEC. 80. Section 24047 of said code is amended to read:

License lost
or destroyed

24047. Whenever a license certificate is in effect and is lost or destroyed, the department shall issue a duplicate license upon the payment of a fee of five dollars (\$5).

SEC. 81. Section 24048 of said code is amended to read:

Renewal

24048. Every license, other than a temporary license, is renewable unless the license has been revoked if the renewal application is made and the fee therefor is paid on or before the date on which payment thereof is due. If the fee for the renewal of any license is not so paid, the license is automatically suspended but may be reinstated by the department within 31 days thereafter upon payment of the amount due. Unless the license is so reinstated, it is automatically revoked 31 days after the date upon which payment of the renewal fee is due, and no license shall be issued to the licensee except upon a new application for a license.

SEC. 82. Section 24049 of said code is amended to read:

Refusal to
renew

24049. The department may refuse the renewal of any license when the applicant is delinquent in the payment of any taxes due under this division or under the Sales and Use Tax Law.

SEC. 83. Section 24050 of said code is amended to read:

Revocation,
etc., by
reason of
Japanese
ancestry

24050. Any individual who held a license on December 7, 1941, and whose license was thereafter revoked because of the Japanese ancestry of the licensee, or was surrendered or permitted to expire by the Japanese licensee, may at any time within six months after September 22, 1951, file an application for a similar license, and the department shall issue the license upon the payment of the current fee therefor. The provisions of Article 2 of Chapter 5 of this division shall not apply to licenses issued to such persons. No license shall be issued pursuant to this section to a person who is not qualified to hold a license at the time of filing his application, and the issuance of the license shall be subject to the approval of the department and other provisions of this division. The acceptance of a license issued pursuant to this section shall constitute a release of any and all claims for damages, if any there be, which the person to whom the license is issued may have against the State by reason of the revocation, cancellation, or expiration of any license previously issued to or held by such person. No license issued pursuant to this section or interest therein shall be subject to transfer by the person to whom issued to any other transferee for a period of one year and the license may thereafter be transferred only if the individual to whom it has been issued has during the year as sole owner conducted the business operated under the license and personally, unless prevented by causes beyond his control, worked in the actual operation of the business.

SEC. 84. Section 24070 of said code is amended to read:

24070. Each license is separate and distinct and is transferable from the licensee to another person upon the approval of the department as provided in this division and upon the payment of a transfer fee equal to the fee payable upon an original application for the license, except as provided in Section 24071. Transfer fees

SEC. 85. Section 24072 of said code is amended to read:

24072. Each license is transferable from the premises for which issued upon the approval of the department, the payment of a transfer fee of twenty-five dollars (\$25), and compliance with the provisions of this division relating to the issuance of an original license. Transfer from premises

SEC. 86. Section 24073 of said code is amended to read:

24073. No retail license limited in numbers shall be transferred unless before the filing of the transfer application with the department the licensee or the intended transferee records in the office of the county recorder of the county or counties in which the premises to which the license has been issued are situated a notice of the intended transfer, stating all of the following: Notice of intended transfer

- (a) The name and address of the licensee.
- (b) The name and address of the intended transferee.
- (c) The kind of license or licenses intended to be transferred.
- (d) The address or addresses of the premises to which the license or licenses have been issued.
- (e) The date when, which shall be at least 10 days after the recordation of the notice, and the place where the purchase price or consideration for the transfer of the license or licenses, if any there be, is to be paid and the amount of the purchase price or consideration, if any there be.
- (f) The name and address of the escrow holder referred to in Section 24074 of this division.

A copy of the notice of intended transfer, certified by the county recorder, shall be filed with the department together with a transfer application.

SEC. 87. Section 24074 of said code is amended to read:

24074. Before the filing of such a transfer application with the department, the licensee and the intended transferee shall establish an escrow with some person, corporation, or association not a party to the transfer acting as escrow holder, and the intended transferee shall deposit with the escrow holder the full amount of the purchase price or consideration, if any there be, to be paid in connection with the transfer. The licensee and intended transferee shall also enter into an agreement, which agreement shall be deposited with the escrow holder, directing the escrow holder, out of the purchase price or consideration, to pay the claims of the bona fide creditors of the licensee who file their claims with the escrow holder on or before the date when the purchase price or consideration is to be paid for the transfer of the license as fixed in the re- Escrow holder

corded notice of intended transfer, or if the purchase price or consideration is not sufficient to pay the claims in full, to distribute the consideration pro rata to the creditors of the licensee. The agreement shall also provide that the escrow holder shall make the payment or distribution within a reasonable time after the completion of the transfer of the license.

SEC. 88. Section 24076 of said code is amended to read:

License as
security

24076. No licensee shall enter into any agreement wherein he pledges the transfer of his license as security for a loan or as security for the fulfillment of any agreement. Each application for the transfer of a license shall be accompanied by or contain a statement verified by both the transferor and transferee specifically stating that the transfer application or proposed transfer is not made to satisfy the payment of a loan or to fulfill an agreement entered into more than ninety (90) days preceding the day on which the transfer application is filed with the department or to gain or establish a preference to or for any creditor of the transferor or to defraud or injure any creditor of the transferor. This statement shall become part of the transfer application, and any misrepresentation contained in the statement shall be considered the misrepresentation of a material fact.

SEC. 89. Section 24200 of said code is amended to read:

Grounds for
suspension or
revocation

24200. The following are the grounds which constitute a basis for the suspension or the revocation of licenses:

(a) When the continuance of a license would be contrary to public welfare or morals; but proceedings under this section upon this ground are not a limitation upon the department's authority to proceed under Article XX, Section 22, of the Constitution.

(b) Except as limited by Chapters 11 and 12 of this division, the violation or the causing or the permitting of a violation by a licensee of this division, any rules of the board or the department adopted pursuant to the provisions of this division, or any other penal provisions of law of this State prohibiting or regulating the sale, exposing for sale, use, possession, giving away, adulteration, dilution, misbranding, or mislabeling of alcoholic beverages or intoxicating liquors.

(c) The misrepresentation of a material fact by any applicant in obtaining any license.

(d) The plea, verdict, or judgment of guilty to any public offense involving moral turpitude or under any federal law prohibiting or regulating the sale, exposing for sale, use, possession, or giving away of alcoholic beverages or intoxicating liquors or prohibiting the refilling or reuse of distilled spirits containers charged against the licensee.

SEC. 90. Section 24200.5 of said code is amended to read:

Mandatory
revocation

24200.5. Notwithstanding the provisions of Section 24200, the department shall revoke a license upon any of the following grounds:

(a) If a retail licensee has knowingly permitted the illegal sale of narcotics upon his licensed premises. Successive sales

over any continuous period of time shall be deemed evidence of such permission.

(b) If the licensee has employed or permitted any persons to solicit or encourage others, directly or indirectly, to buy them drinks in the licensed premises under any commission, percentage, salary, or other profit-sharing plan, scheme, or conspiracy.

SEC. 91. Section 24201 of said code is amended to read:

24201. Accusations may be made to the department by Accusations any person against any licensee. Accusations shall be in writing and shall state one or more grounds which would authorize the department to suspend or revoke the license or licenses of the licensee against whom the accusation is made.

SEC. 92. Section 24202 of said code is amended to read:

24202. A written report of any officer, employee, or agent of the department engaged in the enforcement of this division, or a public officer disclosing one or more grounds for the suspension or revocation of the license or licenses of any licensee shall be deemed an accusation against the licensee within the meaning of this division, even though not in the form of an accusation. Same Report of department officer, etc

SEC. 93. Section 24203 of said code is amended to read:

24203. Accusations against any on-sale or off-sale licensee may be filed with the department by the legislative body of any city in which the premises in question are located, or if the premises are in unincorporated territory, then by the board of supervisors of the county, requesting the suspension or revocation of any retail license. Upon the filing of the accusation, the department shall provide for a public hearing thereon within the county in which the premises are located and determine whether or not the license should be revoked or suspended. Whenever the local legislative body certifies that the public safety, health, or welfare requires an immediate hearing of the accusation, the public hearing shall be held within five (5) days after the filing of the accusation with the department. Same Filing and hearing

SEC. 94. Section 24204 of said code is amended to read:

24204. The Chief of the Bureau of Food and Drug Inspection shall immediately notify the department of the conviction of any licensee of any violation of the California Pure Foods Act in connection with alcoholic beverages. The department shall promptly cause an investigation to be made as to whether grounds exist for suspension or revocation of the license of such licensee. Pure Foods Act

SEC. 95. Section 24300 of said code is amended to read:

24300. Any hearings held on a protest, accusation, or petition for a license shall be held at the county seat of the county in which the premises or licensee are located; provided, that hearings before the department itself on reconsideration or under subdivision (c) of Section 11517 of the Government Code may be held in Sacramento or at any other place in the State where the department is meeting. Except as pro- Hearings

vided in Section 24203 and in this section, the proceedings shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, and in all cases the department shall have all the powers granted therein.

SEC. 96. Section 24301 of said code is amended to read:

Subject of
review

24301. Subject to the provisions of Section 22 of Article XX of the Constitution, any ruling, order, or decision of the department is subject to review as provided by law in any court of competent jurisdiction in the county in which the person affected resides.

SEC. 97. Section 24756 of said code is amended to read:

Filing price
list

24756. Every distilled spirits manufacturer, brandy manufacturer, rectifier, and wholesaler shall file and maintain with the department a price list showing the prices at which distilled spirits are sold to retailers by the licensee. Sales of distilled spirits to retailers by each distilled spirits manufacturer, brandy manufacturer, rectifier, and wholesaler shall be made in compliance with the price list of the licensee on file with the department.

SEC. 98. Section 24757 of said code is amended to read:

Rules

24757. The department may adopt such rules as it determines to be necessary for the administration of Sections 24754 to 24756, inclusive.

SEC. 99. Section 24857 of said code is amended to read:

"File,"
"post"

24857. "File" or "post" means to mail or deliver fair trade contracts, price schedules, or changes in either to the Sacramento office of the department. If mailed, they shall be deemed to be filed on the dates prescribed in this chapter only if postmarked in California at least two days before the applicable prescribed date.

SEC. 100. Section 24869 of said code is amended to read:

Price sched-
ule, etc.,
contents

24869. Each price schedule and fair trade contract, in addition to such other information, and on such form, as the department may prescribe, shall contain all of the following:

(a) General information, including the name and address of the licensee filing, the name and address of the seller or brand owner without the State, if any, for whom the licensee is filing, the trading area or areas covered, and restrictions on distribution or resale, if any.

(b) Information identifying each different item of wine, including the brand name, secondary brand name, if any, form of label, if more than one form used, class and type of wine, vintage date, if shown on label, special or gift package, if any, number of bottles in case, and size of bottles.

(c) Information as to basic prices of each item, f.o.b. selling premises or delivered, or both, including, where applicable, basic case and bottle selling and resale prices to retailers and to consumers.

(d) Information as to discounts and additional charges, including quantity and prompt payment discounts and broken case charge to retailers, if any.

SEC. 101. Section 24873 of said code is amended to read:

24873. For the purpose of complying with the General Ceiling Price Regulation, Economic Stabilization Agency, or with any other applicable federal law, ruling, rule, or regulation respecting prices, or for the purpose of increasing a price or prices when an increase in ceiling price is authorized by any such law, ruling, rule, or regulation, price schedules and fair trade contracts, or changes therein, may be filed with the department at any time and shall become effective immediately upon filing. If filed because of an authorized increase in ceiling price, the applicable price schedule and fair trade contract, or changes therein, shall be filed with the department not later than the twentieth day of the month following the month in which the increase in ceiling price is first authorized.

Compliance
with federal
pricing laws

Publication of the price schedules or changes therein shall be made as provided in Section 24875 on or before the first day of the month following the month in which the price schedules or changes therein are filed with the department. The price schedules or changes therein shall contain the statement: "Filed to comply with federal pricing laws and regulations" or "Filed to increase prices as first authorized on (inserting the date)." Notwithstanding any other provision of this chapter, price schedules and fair trade contracts, or changes therein, made effective pursuant to this section shall remain in effect until changed pursuant to this chapter.

SEC. 102. Section 24874 of said code is amended to read:

24874. The department shall make price schedules or changes therein, or a composite thereof, available for public inspection.

Public
inspection

SEC. 103. Section 24875 of said code is amended to read:

24875. Except for wine growers selling only to consumers at their licensed premises, every person filing a price schedule or change therein shall, at least once on or before the first of the month in which effective, publish the price schedule or change in a trade journal or industry price book printed and published in this State and of general circulation among licensees affected in this State. In case of industry price books which are of general circulation among licensees in only some of the trading areas, the publication shall be in one industry price book of general circulation in each trading area.

Publication
of price
schedules

Instead of publishing, the licensee may mail his price schedule or any changes therein to licensees affected. Schedules or supplemental schedules or changes therein shall be deposited in the United States Post Office before the date required for publication. If the affidavit prescribed herein is not filed before the date required for publication, the schedule, supplemental schedule, or changes therein are not effective until the affidavit is filed. A price filed after the twentieth and on or before the last day of any month becomes ineffective on the last day of the first month in which effective, and the applicable price shown on the last regular price schedule on file with the department shall become re-effective unless the last regular price is changed

Mailing as
alternative

Same Filing pursuant to this chapter. Within five days after the mailing, the licensee shall file with the department a list of names and addresses of the licensees to whom the price schedules or changes are mailed, together with an affidavit of the person who deposited the schedules in envelopes addressed to the licensees whose names and addresses are set forth in the list. The affidavit is prima facie evidence of the facts stated therein.

Exception Wine growers selling only to consumers at their licensed premises need not publish or mail their price schedules but shall post the schedules in that portion of their premises where sales are made where they can be readily inspected by consumers.

SEC. 104. Section 24876 of said code is amended to read :

Close-out
sales, etc.

24876. No licensee shall make any close-out sale, or sale when the wine or container is damaged or deteriorated in quality, under the implied conditions set forth in Section 24751 except after receiving permission from the department, which shall determine whether the proposed sale is bona fide.

A "close-out" sale within the meaning of this section means a bona fide close-out of a particular item of wine in the California market. Label changes which do not pertain to the class or type of wine, the vintage date, or the special or gift package, shall not be deemed to be "close-out."

Permission to make a close-out sale pursuant to Section 24751 shall be granted only if it appears that the stock of wine sought to be closed out has been on the market in this State for a period of not less than six months and was not brought into this State for the purpose of offering it, or any part of it, at a close-out sale.

Permission to make a sale of wine pursuant to Section 24751, when the wine or container is damaged or deteriorated in quality, shall be granted only if it appears that the facts of the case warrant the sale of the wine affected as damaged or deteriorated.

Petitions for permission to make close-out sales, or sales of damaged or deteriorated wine, shall state a full and complete description of the wine involved, in such detail as to distinguish the wine from all others, and shall include the federal serial numbers, if any, of the cases involved. The number of cases or bottles involved shall also be stated. The petitioner shall agree not to sell or handle the item closed out for at least six months after the close-out.

SEC. 105. Section 24878 of said code is amended to read :

Rebates, etc.,
prohibited

24878. Except as otherwise provided in this chapter, the giving of, or offering to give, any rebate, free goods, combination deal, premium, allowance, unauthorized discount, floor stocks adjustment, or any other thing or service of value, directly or indirectly, in connection with the sale of wine subject to this chapter, or, in any other way circumventing this chapter to effect a sale at a price other than the price shown in the applicable price schedule, is a violation of this chapter.

This section does not prohibit any cooperative buying group which on January 1, 1949, held a federal basic permit or was licensed by the department from giving, or its members from receiving, dividends or other adjustments from the general fund of the cooperative buying group. This chapter does not prohibit the furnishing of samples, advertising matter, and other selling aids as authorized by this division and rules issued pursuant to this division. Exceptions

SEC. 106. Section 24880 of said code is amended to read:

24880. For a violation of any of the provisions of this chapter or rules adopted pursuant to this chapter, the department may suspend or revoke a license as follows: Suspension and revocation of licenses

(a) For a first offense, not exceeding 10 days' suspension.

(b) For a second offense, not exceeding 30 days' suspension.

(c) For a third offense, the department may suspend or revoke a license.

SEC. 107. Section 24881 of said code is amended to read:

24881. The department may adopt such rules as it determines to be necessary for the administration of this chapter. Rules

SEC. 108. Section 25000 of said code is amended to read:

25000. Each manufacturer, importer, and wholesaler of beer shall file and thereafter maintain on file with the department, in triplicate and in such form as the department may provide, a written schedule of selling prices charged by the licensee for beer sold and distributed by him within the State for delivery and use therein. Filing of price schedules

SEC. 109. Section 25001 of said code is amended to read:

25001. The schedule of prices filed may be changed or modified from time to time by the licensee filing it by filing with the department either a new and complete schedule of prices or an amendment thereto of changed or modified prices, as the department may by rule require. Changing of schedule

SEC. 110. Section 25005 of said code is amended to read:

25005. Any director, officer, agent, or employee of any licensee who knowingly assists or aids in the violation of this chapter or any effective posted price or any rule of the department passed to carry out the provisions of this chapter is guilty of the violation equally with the licensee. Violation by departmental officer, etc

SEC. 111. Section 25006 of said code is amended to read:

25006. The department may adopt such rules, including but not limited to rules respecting beer price posting, as will foster and encourage the orderly wholesale marketing and wholesale distribution of beer, but no such action shall be taken by the department except after public hearing and ten (10) days notice to all licensed manufacturers of beer in California of the time and place of the hearing and of the character of the action intended to be taken by the department. Adoption of rules, hearings

SEC. 112. Section 25010 of said code is amended to read:

25010. The department shall not suspend or revoke the license of any licensee for a violation of the provisions of this chapter or a rule adopted pursuant thereto unless he has committed, within a period of one year, at least three separate vio- Suspension or revocation of license

lations of the provisions of this chapter or of any rule adopted pursuant thereto, and the violations have been proved by any of the following methods:

(a) A conviction for misdemeanor.

(b) A judgment in a civil suit for injunction as provided in this chapter.

(c) A finding of the department, if a hearing is held in accordance with Chapters 7 and 8 of this division.

SEC. 113. Section 25174 of said code is amended to read:

Seizure

25174. The department may seize any distilled spirits sold, served, removed, possessed, delivered, or held in any manner in violation of Sections 25170 to 25173, inclusive.

SEC. 114. Section 25201 of said code is amended to read:

Single-trip
cartons

25201. The provisions of Section 25200, with respect to corrugated paper cartons commonly known as single-trip cartons and used as a package for beer, shall apply during the continuation of hostilities in any wars in which the United States may become engaged, except during such time as the manufacturers representing the major part of the production of beer in California during the calendar year next preceding the filing of the petition file with the department a petition stating a sufficient supply of such corrugated paper cartons is not available to the California brewing industry to permit compliance with Section 25200 in connection with such containers or cartons, and the department upon hearing finds the facts of the petition to be true and this finding remains standing and unrevoked. The department shall record in its records its decision and conclusion on the petition.

SEC. 115. Section 25203 of said code is amended to read:

Filing of
brand name

25203. Every manufacturer or bottler of beer in this State or elsewhere whose beer is sold within the State shall file with the department the brand name or names under which he sells or labels his draught beer sold in the State.

SEC. 116. Section 25236 of said code is amended to read:

"California
central coast
counties
dry wine"

25236. Only dry wine produced entirely from grapes grown within the Counties of Sonoma, Napa, Mendocino, Lake, Santa Clara, Santa Cruz, Alameda, San Benito, Solano, San Luis Obispo, Contra Costa, Monterey, and Marin may be labeled with the words "California central coast counties dry wine." It is unlawful to label any other wine with a label containing the words "California central coast counties dry wine."

The department may seize wine labeled in violation of this section, regardless of where found.

SEC. 117. Section 25350 of said code is amended to read:

Seizable
beverages

25350. The department may seize the following alcoholic beverages:

(a) Alcoholic beverages manufactured or produced in this State by any person other than a licensed manufacturer or wine grower, regardless of where found.

(b) Beer and wine upon the sale of which the excise tax imposed by this division has not been paid, regardless of where found.

(c) Distilled spirits except (1) distilled spirits located upon premises for which licenses authorizing the sale of the distilled spirits have been issued; (2) distilled spirits consigned to and in the course of transportation to a licensee holding licenses authorizing the sale of the distilled spirits or for delivery without this State; (3) distilled spirits upon the sale of which the excise tax imposed by this division has been paid; (4) alcohol or distilled spirits in the possession of a person who has lawfully purchased it for use in the trades, professions, or industries and not for beverage use.

(d) Any alcoholic beverage possessed, kept, stored, or owned with the intent to sell it without a license in violation of this division.

SEC. 118. Section 25352 of said code is amended to read:

25352. The department or its employees may seize any unlicensed still, whether in actual operation or not and whether assembled for operation or dismantled, any parts of such stills, and any materials or supplies capable of being used for the manufacture of alcoholic beverages which are found on or about the premises where any unlicensed still or parts thereof are found. The department or its employees may also seize any implements, instruments, vehicles, and personal property in the place or building, or within any yard or enclosure, where any unlicensed still or parts thereof are found.

Seizure
of stills

SEC. 119. Section 25354 of said code is amended to read:

25354. Alcoholic beverages manufactured or produced in this State by any person other than a licensed manufacturer or wine grower, when seized for forfeiture under this division, may be disposed of by the department, its officers, or employees by summary destruction.

Summary
destruction
Alcoholic
beverages

SEC. 120. Section 25355 of said code is amended to read:

25355. Any alcoholic beverages or other property seized for forfeiture under this division, except automobiles or other vehicles, may be disposed of by the department, its officers, or employees by destruction or otherwise as provided in this division, upon order of the department made not less than 15 days after the date of seizure.

Same Other
property

SEC. 121. Section 25356 of said code is amended to read:

25356. Any person whose alcoholic beverages or other property, except automobiles or other vehicles, have been seized for forfeiture under this division, may, within 10 days after such seizure, petition the department to return the alcoholic beverages or other property upon the grounds that the alcoholic beverages or other property were illegally or erroneously seized.

Petition

SEC. 122. Section 25357 of said code is amended to read:

25357. Any petition filed pursuant to Section 25356 shall be considered by the department within 60 days after filing, and an oral hearing shall be granted the petitioner if requested. The department shall serve notice of its decision upon the petitioner.

Hearing

Order
SEC. 123. Section 25358 of said code is amended to read:
25358. The department may order the alcoholic beverages or other property seized disposed of, or returned to the petitioner if illegally or erroneously seized.

Requests from state institutions, etc
SEC. 124. Section 25359 of said code is amended to read:
25359. Any beverage or other property seized by the department may be turned over to any state department or institution. The person in charge of any state department or institution may file with the department a request that beverages or other property of a kind specified in the request be turned over to the department or institution. No beverage or property for which a request has been made by a state department or institution shall be destroyed until all requests of state departments and institutions for the type or kind of beverage or property have been complied with.

Release to lienholder, etc
SEC. 125. Section 25368 of said code is amended to read:
25368. If the lienholder, mortgagee, or vendor proves the facts set forth in Section 25367, the court shall order the alcoholic beverages or other property released to him if the amount due to him is equal to, or in excess of, the value of the alcoholic beverages or other property. If the amount due to him is less than the value of the alcoholic beverages or other property, the alcoholic beverages or other property shall be sold at public auction by the department, and the remainder of the proceeds of the sale, after payment of the balance due on the purchase price, mortgage, or lien, shall be deposited in the State Treasury.

Disposition of property upon forfeiture
SEC. 126. Section 25370 of said code is amended to read:
25370. Upon a judgment in favor of the forfeiture, the alcoholic beverages or other property shall be ordered turned over to the Department of Finance for disposition as follows:
(a) Delivery to the Department of Alcoholic Beverage Control for use in the needs of the department as may be requested by it.

(b) Delivery to any other state department, board, commission, officer, hospital, or institution.

(c) Sale at public auction, and when alcoholic beverages are sold at public auction they shall be sold only to licensees authorized to sell them.

Record of seizure
SEC. 127. Section 25371 of said code is amended to read:
25371. When alcoholic beverages or other property are seized under this division, a record of the seizure and disposition shall be kept by the Department of Alcoholic Beverage Control.

Unauthorized disposition a felony
SEC. 128. Section 25372 of said code is amended to read:
25372. Any officer, employee, or agent of the Department of Alcoholic Beverage Control who disposes of any alcoholic beverages or other property seized under this division in any manner other than as directed by order of the court or the provisions of this division is liable to the State in a civil action and is guilty of a felony.

SEC. 129. Section 25500 of said code is amended to read:

25500. No manufacturer, wine grower, manufacturer's agent, rectifier, distiller, bottler, importer, or wholesaler, or any officer, director, or agent of any such person shall:

Manufac-
turer's inter-
est in on-sale
license, etc

(a) Hold the ownership, directly or indirectly, of any interest in any on-sale license.

(b) Furnish, give, or lend any money or other thing of value, directly or indirectly, to, or guarantee the repayment of any loan or the fulfillment of any financial obligation of, any person engaged in operating, owning, or maintaining any on-sale premises where alcoholic beverages are sold for consumption on the premises.

(c) Own any interest, directly or indirectly, in the business, furniture, fixtures, signs, except signs for interior use mentioned in subdivision (g) of Section 25503, refrigeration equipment, or lease in or of any premises operated or maintained under any on-sale license for the sale of alcoholic beverages for consumption on the premises where sold; or own any interest, directly or indirectly, in realty acquired after June 13, 1935, upon which on-sale premises are maintained unless the holding of the interest is permitted in accordance with rules of the department.

SEC. 130. Section 25604 of said code is amended to read:

25604. It is a public nuisance for any person to maintain any club room in which any alcoholic beverage is received or kept, or to which any alcoholic beverage is brought, for consumption on the premises by members of the public or of any club, corporation, or association, unless the person and premises are licensed under this division. It is a public nuisance for any person to keep, maintain, operate or lease any premises for the purpose of providing therein for a consideration a place for the drinking of alcoholic beverages by members of the public or other persons, unless the person and premises are licensed under this division. As used herein "consideration" includes cover charge, the sale of food, ice, mixers or other liquids used with alcoholic beverage drinks, or the furnishing of glassware or other containers for use in the consumption of alcoholic beverage drinks.

Public
nuisance

The Attorney General or any district attorney may bring an action in the name of the people to abate the nuisance, and the Attorney General shall, upon request of the department, bring the action.

SEC. 131. Section 25606 of said code is amended to read:

25606. It is unlawful for any person to use any automobile or other vehicle to conceal, convey, carry, or transport any alcoholic beverages which are subject to seizure under this division, or any stills or parts thereof subject to seizure under this division, or any materials or supplies capable of and intended for use in the manufacture or production of alcoholic beverages with the design to evade the excise taxes or license fees imposed by this division. This section does not apply to any person who uses an automobile or other vehicle to trans-

Automobiles,
etc.

port distilled spirits for lawful use in the trades, professions, or industries. Any person violating the provisions of this section is guilty of a misdemeanor and shall be punished by a fine of not more than five hundred dollars (\$500) or by imprisonment in the county jail for not more than one year, or by both such fine and imprisonment.

The department may seize any automobile or other vehicle used contrary to the provisions of this section.

Unauthorized
beverages

SEC. 132. Section 25607 of said code is amended to read: 25607. It is unlawful for any person or licensee to have upon any premises for which a license has been issued any alcoholic beverages other than the alcoholic beverage which the licensee is authorized to sell at the premises under his license. It shall be presumed that all alcoholic beverages found or located upon premises for which licenses have been issued belong to the person or persons to whom the licenses were issued. Every person violating the provisions of this section is guilty of a misdemeanor. The department may seize any alcoholic beverages found in violation of this section.

Signs

SEC. 133. Section 25612 of said code is amended to read: 25612. Signs or other advertising matter used in connection with the licensed premises of any retailer of alcoholic beverages shall not be of any obnoxious, gaudy, blatant, or offensive nature and shall in no manner contrary to the rules of the department obstruct the view of the interior of the premises from the street.

False tax
return, etc.

SEC. 134. Section 25616 of said code is amended to read: 25616. Any person who knowingly or wilfully files a false tax return with the board or a false license fee report with the department, and any person who refuses to permit the board or the department or any of their representatives to make any inspection or examination for which provision is made in this division, or who fails to keep books of account as prescribed by the board, or who fails to preserve such books for the inspection of the board for such time as the board deems necessary, or who alters, cancels, or obliterates entries in such books of account for the purpose of falsifying the records of sales of alcoholic beverages made under this division, is guilty of a misdemeanor and shall be punished by a fine of not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000), or by imprisonment in the county jail for not less than one month nor more than six months, or by both such fine and imprisonment.

Department's
rule making
powers

SEC. 135. Section 25750 of said code is amended to read: 25750. The department and the board shall make and prescribe such reasonable rules as may be necessary or proper to carry out the purposes and intent of Section 22 of Article XX of the Constitution and to enable them to exercise the powers and perform the duties conferred upon them by that section or by this division, not inconsistent with any of the provisions of any statute of this State, including particularly the provi-

sions of this division and the provisions of Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 136. Section 25751 of said code is amended to read:

25751. For the performance of their duties the department and the board have the power conferred by Sections 11180 to 11191, inclusive, of the Government Code.

SEC. 137. Section 25752 of said code is amended to read:

25752. In addition to any other reports required under this division, the department and the board may, by rule and otherwise, require additional, other, or supplemental reports from licensees, common and private carriers, and other persons and prescribe the form, including verification, of the information to be given on, and the times for filing of, such additional, other, or supplemental reports. The failure or refusal of any person to render the reports required under this section is a misdemeanor.

SEC. 138. Section 25753 of said code is amended to read:

25753. The department and the board may make any examination of the books and records of any licensee or other person and may visit and inspect the premises of any licensee they may deem necessary to perform their duties under this division.

SEC. 139. Section 25754 of said code is amended to read:

25754. The director and the persons employed by the department for the administration and enforcement of the provisions of this division may administer and certify oaths in the administration and enforcement of this division.

SEC. 140. Section 25755 of said code is amended to read:

25755. The director and the persons employed by the department for the administration and enforcement of this division have all the powers of peace officers in, and the power to serve all warrants relating to, the enforcement of the penal provisions of this division, the rules of the department adopted under the provisions of this division, and any other penal provisions of law of this State prohibiting or regulating the sale, exposing for sale, use, possession, giving away, adulteration, dilution, misbranding, or mislabeling of alcoholic beverages or intoxicating liquors.

SEC. 141. Section 25756 of said code is amended to read:

25756. Any motor vehicle as the department shall determine, which is owned by the State and used by the department in enforcing the provisions of this division, may be equipped with a siren and the red light visible from in front of the vehicle, but the siren or red light shall not be used except when the vehicle is operated in the immediate pursuit of an actual or suspected violator of this division.

SEC. 142. Section 25757 of said code is amended to read:

25757. The department may authorize any of its executive officers to join or subscribe to any national association or service having as its purpose the gathering and supply of information relative to the technique of liquor regulation, control, or administration.

SEC. 143. Section 25758 of said code is amended to read:

Payment of
witness fees

25758. When a person attends as a witness in any criminal case in which a person is charged with a violation of any penal provisions of the law prohibiting or regulating the sale, exposing for sale, use, possession, giving away, adulteration, dilution, misbranding, or mislabeling of an alcoholic beverage or intoxicating liquor, and the court in the exercise of its discretion does not authorize the payment of the witness from county funds under Section 1329 of the Penal Code, the department may expend any money available to it to pay him witness fees at the rate of three dollars (\$3) for each day's actual attendance and a reasonable sum for the necessary expenses of the witness, or, in the case of a witness attending from outside the State, to pay the witness the sum of ten cents (\$.10) for each mile and five dollars (\$5) for each day that he is required to travel and attend as a witness.

SEC. 144. Section 25759 of said code is amended to read:

When taxes
and fees
deemed paid

25759. When tax reports or payment of excise taxes or license fees are required to be made on or by specified dates, they shall be deemed to have been made at the time they are filed with or paid to the board or department or other proper official or, if sent by mail, on the date shown by the United States postmark on the envelope containing the report or payment.

SEC. 145. Section 25760 of said code is amended to read:

Service of
notice

25760. Notice of any act of the department required by this division to be given may be signed and given by the director or an authorized employee of the department and may be made personally or by mail. Notice of any act of the board required by this division to be given may be signed and given by the board, its secretary, or an authorized employee of the board and may be made personally or by mail. If made by mail, service shall be made in the manner prescribed by Section 1013 of the Code of Civil Procedure. In case of service by mail, the service is complete at the time of deposit in the United States Post Office.

CHAPTER 448

An act to amend Section 2421.5 of the Education Code, relating to school districts.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2421.5 of the Education Code is amended to read:

2421.5. (a) Territory annexed to a city which is not contiguous to a school district within the city shall not become a part of any school district within such city pursuant to Section 2421.

(b) Territory annexed to a city which is part of a unified school district formed under Chapter 16 of Division 2 of this code, shall not become a part of any school district within the city pursuant to Section 2421 unless prior to the annexation, the governing boards of the affected districts agree in writing that the territory shall become part of the city school district. In order for the agreement to be effective, a certified copy thereof shall be filed with the city council prior to the adoption of the resolution specified in Section 35117 or Section 35306 of the Government Code, and such resolution shall contain a statement that the annexed territory shall become part of the city school district.

(c) Territory annexed to a city which is contiguous to a city school district within such city, except as otherwise provided in subdivision (b) of this section, shall not become part of any elementary, high school, junior college, or any other school district within said city as provided in Section 2421 unless proceedings are had and completed for the annexation or inclusion of such territory to the school district in the manner provided elsewhere in this code, or unless the resolution required by Section 35117 of the Government Code in the case of proceedings for the annexation of inhabited territory, or the resolution required by Section 35306 of the Government Code in proceedings for the annexation of uninhabited territory contains a statement that the annexed territory shall become part of the school district of the city.

The provisions of subdivisions (a), (b), or (c) of this section, as the case may be, apply to territory proposed to be annexed to a city in which territory is situated any school district or part of any school district.

The provisions of subdivisions (a), (b), or (c) of this section, as the case may be, apply to any proceedings to annex territory to a city which have not been completed on or before the effective date of the amendment of this section at the 1955 Regular Session of the Legislature, except proceedings in which the resolution provided for in Section 35117 of the Government Code has been adopted, or in which the city legislative body or the board of supervisors has approved the annexation by ordinance, or resolution, as the case may be, for other city annexation proceedings.

The provisions of subdivisions (a), (b), or (c) of this section, as the case may be, shall not apply to sixth-class cities or to cities which have provided in their original charter that they shall not constitute a separate school district.

CHAPTER 449

An act to add Section 1340.8 to the Fish and Game Code, relating to bears.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1340.8 is added to the Fish and Game Code, to read:

1340.8. Notwithstanding any provision of this code, the owner of any livestock or timber, in person or by his agent, may, at any time, protect such livestock or timber from damage or threatened damage by bears by killing the bears by any method or means, except by use of poison; provided, that any federal or state trapper may kill bears at any time by any method or means, including the use of poison, when such bears are damaging or threatening damage to livestock or timber. The provisions of this section shall apply only to that part of District 1½ lying within Humboldt County. The commission shall have no power to modify the provisions of this section by any order, rule, or regulation under Article 1, Chapter 2, Division 1, of this code or any other provision of law, except that the method of setting any traps and of posting warning signs relating thereto may be prescribed by the commission.

This section shall remain in effect until the ninety-first day after the final adjournment of the 1957 Regular Session of the Legislature.

CHAPTER 450

An act to repeal Section 146 of the Fish and Game Code, relating to fish and game districts.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 146 of the Fish and Game Code is repealed.

CHAPTER 451

An act to amend Section 1228.5 of the Government Code, relating to leaves of absence for service to the United States Government in technical cooperation programs.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1228.5 of the Government Code is amended to read:

1228.5. The State Personnel Board may grant to any state employee included within the state civil service, or the governing board of any local agency may grant to any employee of such local governmental agency, upon request, a leave of absence without pay of not to exceed two years to accept a temporary position with the United States Government for service in a foreign country in a technical cooperation program, and upon termination of such service, and for three months thereafter, such employee shall have the right to be restored to his former position.

CHAPTER 452

An act to add Chapter 5 to Part 3 of Division 16 of the Water Code, relating to waterworks districts.

[Approved by Governor May 12, 1955. Filed with Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Chapter 5 is added to Part 3 of Division 16 of the Water Code, to read:

CHAPTER 5. USE OF THE IMPROVEMENT ACT OF 1911

Article 1. Authorization to Use Improvement Act of 1911

55385. Whenever in the opinion of the governing body of a county waterworks district the public interest and necessity require, it may order the formation of an improvement district for the purpose of constructing any authorized improvement within the boundaries of said waterworks district.

Authority
to form
improvement
districts

55386. The district shall be formed, the work or improvement done, and the cost thereof assessed and collected in accordance with the provisions of the Improvement Act of 1911.

Article 2. Terms and Definitions

55400. For the purposes of this chapter the following terms used in the Improvement Act of 1911 shall mean and include that which this article states each means and includes.

Construction

55401. "City" means and includes county waterworks district.

"City"

55402. "City council" or "legislative body" means and includes the governing body of the county waterworks district.

"City council," "legislative body"

55403. "Clerk" means and includes the secretary of the governing body of the county waterworks district.

"Clerk"

55404. "Council chambers" means and includes the place designated by the governing body of the county waterworks district for holding its regular meetings.

"Council chambers"

55405. "Treasurer" means and includes the county treasurer.

"Treasurer"

"Superintendent of streets," etc
"Right of way"

55406. "Superintendent of streets" or "streets superintendent" means and includes the county surveyor.

55407. "Right of way" means and includes any parcel of land through which a right of way has been granted to the county waterworks district for any purpose.

References to municipal officers and matters

55408. All references to municipal officers and matters mean and include the corresponding officers of county waterworks districts and matters under this division.

CHAPTER 453

An act to amend Section 11501 of the Government Code, relating to administrative hearings.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 11501 of the Government Code is amended to read:

11501. (a) The procedure of any agency shall be conducted pursuant to the provisions of this chapter only as to those functions to which this chapter is made applicable by the statutes relating to the particular agency.

(b) The enumerated agencies referred to in Section 11500 are:

Board of Dental Examiners of California.
Board of Medical Examiners of the State of California.
Board of Osteopathic Examiners of the State of California.
Board of Nurse Examiners of the State of California.
State Board of Optometry.
California State Board of Pharmacy.
State Department of Public Health.
State Board of Public Health.
Board of Examiners in Veterinary Medicine.
State Board of Accountancy.
California State Board of Architectural Examiners.
State Board of Barber Examiners.
State Board of Registration for Civil and Professional Engineers.
Registrar of Contractors.
State Board of Cosmetology.
State Board of Funeral Directors and Embalmers.
Structural Pest Control Board.
Yacht and Ship Brokers Commissioner.
Director of Professional and Vocational Standards.
State Collection Agency Board.
State Fire Marshal.
State Mineralogist.
Director of Agriculture.
Labor Commissioner.
Real Estate Commissioner.

Commissioner of Corporations.
Department of Social Welfare.
Social Welfare Board.
Department of Mental Hygiene.
Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun.
Board of Pilot Commissioners for Humboldt Bay and Bar.
Board of Pilot Commissioners for the Harbor of San Diego.
Fish and Game Commission.
State Board of Education.
Insurance Commissioner.
Savings and Loan Commissioner.
State Board of Dry Cleaners.
Board of Social Work Examiners of the State of California.
State Board of Chiropractic Examiners.
State Board of Guide Dogs for the Blind.
California Aeronautics Commission.
Board of Administration, State Employees' Retirement System.
Department of Motor Vehicles.
Bureau of Furniture and Bedding Inspection.
Cemetery Board.
State Water Pollution Control Board.
Regional Water Pollution Control Board.
Department of Natural Resources.
Department of Public Works acting through the State Engineer pursuant to Section 414 of the Water Code.
Board of Vocational Nurse Examiners of the State of California.
Certified Shorthand Reporters Board.
Bureau of Private Investigators and Adjusters.
California State Board of Landscape Architects
Department of Alcoholic Beverage Control.

CHAPTER 454

An act to amend Section 7206 of the Education Code, relating to services to school districts provided by county superintendents of schools.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7206 of the Education Code is amended to read:

7206. The county superintendent of schools may:

(a) With the approval of the county board of education provide advisory services in school business administration, in maintenance of school buildings and grounds, and in the processing of special problems concerning credentials as designated by the State Department of Education.

(b) Pay actual and necessary travel expenses incurred, in connection with curricular and special services, by the county superintendent of schools, or by his designated staff members in accordance with regulations established by the Superintendent of Public Instruction.

(c) Provide services to school districts in screening and directing teachers to the schools under his jurisdiction.

The costs incurred under this section shall be paid out of the county school service fund.

CHAPTER 455

An act to amend Section 2852 of the Revenue and Taxation Code, relating to the collection of property taxes on the secured roll, to take effect immediately, urgency measure.

In effect
immediately

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2852 of the Revenue and Taxation Code is amended to read:

2852. The procedure authorized by this chapter may be placed in effect in any county by resolution of the board of supervisors adopted on or before August 1st preceding the lien date of the taxes to which the provisions of this chapter are to apply or, at any time, by resolution of the board of supervisors, specifying the effective date, adopted pursuant to the request of the county assessor, county auditor, and county tax collector; provided, that prior to the adoption of such resolution an abstract list of all unpaid items on the delinquent rolls has been prepared and certified by the county auditor, is in use and will continue to be used by the redemption officer.

After adoption of the procedure authorized by this chapter, the redemption officer must insert in the abstract list or prepare an abstract list of unpaid items from the secured roll each year in the manner provided in Chapter 4, Part 7, Division 1 of the Revenue and Taxation Code.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The procedure for collecting taxes authorized by Chapter 3.3 of Part 5 of Division 1 of the Revenue and Taxation Code is one that affords an opportunity for reducing the tax collection costs of those counties that avail themselves of it, and thereby promotes economy in government. Consistently with such objective, the amendments made by this act will facilitate the use of such procedure. However, if such amendments are to be of any assistance to counties with regard to the Fiscal Year 1954-55, they must go into effect immediately.

CHAPTER 456

An act to amend Section 54382 of the Government Code, relating to the authorization of revenue bonds under the Revenue Bond Law of 1941.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 54382 of the Government Code is amended to read:

54382. The resolution shall:

(a) State the purpose for which the bonds are proposed to be issued.

(b) State the estimated cost of the acquisition, construction, improvement and financing.

(c) State the principal amount of the bonds.

(d) State the maximum rate of interest on the bonds, which shall not exceed 6 percent a year, payable annually or semiannually.

(e) Fix the election date.

(f) Fix the manner of holding the election.

(g) Fix the manner of voting on the issuance of the bonds.

(h) State that in all other particulars the election shall be held and the votes canvassed pursuant to law for general municipal elections in such local agencies.

CHAPTER 457

An act to add Section 23.6 to the Fish and Game Code, relating to the expenditure of funds for the purchase of evidence.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 23.6 is added to the Fish and Game Code, to read:

23.6. Regularly employed law enforcement officers of the department may, when authorized by the director, expend such sums as authorized for the purchase of fish, birds or mammals as evidence, or for expenditures related to the procurement of such evidence, or for expenditures made to investigate other violations of this code without divulging the identity of the employee.

The sums so expended shall be repaid to the law enforcement officer making the expenditure upon claims approved by the director. The claims, when approved, shall be paid out of the funds appropriated or made available by law for the support of the department.

CHAPTER 458

An act to amend Section 13835 of the Education Code, relating to compensation of certificated employees.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13835 of the Education Code is amended to read:

13835. A person in a position requiring certification qualifications who serves less than a full school year shall receive as salary only an amount that bears the same ratio to the established annual salary for the position as the time he serves bears to the annual school term. For the purpose of this section, the school term as it applies to each certificated employee shall include each day the schools of the district are in session, each school holiday as defined in Article 3 of Chapter 2 of Division 4 of this code, each day of teachers' institute and any other day when the employee is required by the governing board to be present at the schools of the district or to perform services for the district, and the employee shall be deemed to have served the district on each of said days unless he fails to perform the duties required of him for the day and is not entitled to a leave of absence from such duties with pay. This section shall not be so construed as to prevent the payment of compensation to a person while on leave of absence when the payment of the compensation is authorized by law.

CHAPTER 459

An act to amend Section 14310 of the Government Code, relating to the procedure of performing state construction work.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14310 of the Government Code is amended to read:

14310. The department may, and on contracts the estimated cost of which exceeds fifty thousand dollars (\$50,000) the department shall, require from prospective bidders answers to questions contained in a standard form of questionnaire and financial statement including a complete statement of the prospective bidder's financial ability and experience in performing public works. When completed, the questionnaire and financial statement shall be verified under oath by the bidder in the manner in which pleadings in civil actions are verified.

CHAPTER 460

An act to amend Sections 4901.2, 4902.05, 4905, 4911.1, 4912, 4915.3, 4917, 4920, 4941.1, and 4941.2 of the Education Code, relating to school districts.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4901.2 of the Education Code is amended to read:

4901.2. (a) Every county having six (6) or more elementary school districts shall elect a county committee composed of the number of members as shall be determined by a majority of the representatives of the governing boards at a meeting called by the county superintendent of schools having jurisdiction over the county. Notice of such meeting shall be deemed sufficient and complete when deposited in the United States mail with postage prepaid, addressed to the clerk or secretary of the governing board of each school district.

County
committee
on school
district
organization
Election of
members

(b) The governing board of each school district of every kind or class shall annually at its first meeting in the fiscal year select one of its members as its representative who shall have one vote in determining the number of members, and one vote for each member to be elected to the county committee. The county superintendent of schools shall be furnished with a certificate from the secretary or clerk of each governing board which shall name the representative selected by the board. An annual meeting for the purpose of electing members to the county committee shall thereafter be called by the county superintendent of schools which shall be held between the first day of October and the first day of December. The qualified electors of the county receiving the highest number of votes cast by the representatives of the governing boards shall be declared elected to membership of the county committee if a quorum of the representatives are present.

SEC. 2. Section 4902.05 of said code is amended to read:

4902.05. (a) When the county committee has selected all or any portion of the county for possible recommendation for reorganization other than for the formation of a junior college district, or when the county committee has changed the territory so selected as provided in subparagraph (c), each member of the governing board of each school district included in whole or in part within the territory to be considered shall be included in the membership of the committee and shall be so notified by letter sent by the county superintendent of schools.

Notice re
recommendations

(b) When the county committee has selected all or any portion of the county for possible recommendation for the organization of a junior college district, or when the county committee has changed the territory so selected as provided in subparagraph (c), each member of the governing board of each high school district and unified district included in whole

or in part within the territory to be considered shall be included in the membership of the committee and shall be so notified by letter sent by the county superintendent of schools.

(c) At any time, and from time to time, after the county committee has selected all or any part of the county for possible recommendation for reorganization and prior to the adoption by the augmented county committee of plans and recommendations for unification or other reorganization, a majority of the county committee as established in Section 4901 may change the territory selected for possible recommendation for reorganization. For purposes of membership on the augmented county committee, the change shall be effective immediately thereafter. Each member of the governing board of each school district, if the action is pursuant to subparagraph (a), or of each high school district and each unified district, if the action is pursuant to subparagraph (b), which, as a result of the change, is included in whole or in part within the area to be considered, shall be included in the membership of the committee and shall be so notified by letter sent by the county superintendent of schools. Members of the governing board of any school district which, as a result of the change, is no longer included in whole or in part within the territory as so changed, shall cease to be members of the committee, and shall be notified of the termination of membership by letter sent by the county superintendent of schools.

(d) For the purposes of constituting a quorum at the committee meetings, all of the members of the governing board of one school district attending the meeting shall count only as one member of the committee. For the purposes of voting upon a recommendation, each school district so represented on the committee shall have only one vote and shall be entitled to vote only if the recommendation would affect that district. The district vote shall represent the decision of a majority of the members of the governing board of that district.

(e) No recommendation for reorganization pursuant to Section 4902 shall be made until the augmented county committee established by this section has adopted the recommendation by a majority of all entitled to vote and no such action shall be taken prior to the third meeting following the date when the governing boards of all districts included in the recommendation have been members of the augmented committee.

SEC. 3. Section 4905 of said code is amended to read:

4905. A unified school district established pursuant to this chapter subsequent to October 1, 1949, may be divided into trustee areas by the county committee. In establishing trustee areas each county committee shall provide for representation in accordance with population and geographic factors of the entire area of the unified school district. As many trustee areas as needed, not to exceed seven (7), may be established. The county committee shall designate the number of members of the governing board to be elected from among the registered voters of each trustee area so that a governing board of either

Trustee
areas

five (5) or seven (7) members is provided, but the members of the governing board shall be elected by the registered voters of the entire school district. The county superintendent of schools having jurisdiction shall call an election for the purpose of electing the new governing board of the district not later than the fourth Friday of January next succeeding the formation of the trustee areas. The election shall be called and conducted as are elections for members of governing boards of elementary school districts and the term of office and organization of the new board shall be pursuant to Sections 4945 and 4946, respectively. This section does not supersede or modify the provisions of Sections 4941.1 and 4941.2.

SEC. 4. Section 4911.1 of said code is amended to read:

4911.1. In the event the county committee transmits plans and recommendations to the State Board of Education, pursuant to Section 4902, for the reorganization of the school districts in the county other than the formation of a unified school district, the proposed reorganization, if approved by the State Board of Education, shall be deemed to be the filing of a petition with the State Board of Education, the appropriate board of supervisors, or with the county superintendent of schools, as the case may be. The State Board of Education shall notify the board of supervisors and the county superintendent of schools having jurisdiction over the school districts affected thereby of its action, and the proposed reorganization of the school districts, other than the formation of a unified school district, shall then be held and conducted in accordance with the applicable provisions of other chapters of this code as though the petition required by the other chapters had been originally filed with such board of supervisors or with the county superintendent of schools, except that no action required by any other provision of this code shall be necessary to give the board of supervisors or county superintendent of schools jurisdiction in the matter.

Notification
of approval
of plans, etc

SEC. 5. Section 4912 of said code is amended to read:

4912. Except as otherwise provided in Section 4912.2, the county superintendent of schools of the county in which the greater part of such area is located shall cause to be held a special election in the elementary school district or unified school district, or districts included in whole or in part in the plans and recommendations of the county committee or committees for the formation of a unified school district for the purpose of adopting or rejecting the plans and recommendations. The county committee or committees shall hold, following the approval by the State Board of Education of the recommendations of the county committee, one (1) or more public hearings at least ten (10) days prior to such election within the area included in a proposal for unification. The county committee or committees may designate any member to hold and conduct any public hearing required to be held. Such election shall be held between July 1st and June 30th of the school year in which the county superintendent of schools

Special
election

was given notice by the State Board of Education under Section 4911, except that if such notice is not received on or before May 1st, the election may be held between July 1st and June 30th of the following school year

SEC. 6. Section 4915.3 of said code is amended to read:

Notice of
recommendation
for unification

4915.3. The county committee shall prior to submitting a recommendation to the State Board of Education for the unification of any school district or school districts notify, in writing, the board of supervisors of each county affected. If such notice is not given on or before April 1st of the school year preceding notice by the State Board of Education under Section 4911, and if funds are not available for the conduct of the election, the board of supervisors of any such county may require the county superintendent of schools charged with the duty of holding the election on such plans and recommendations to postpone the holding of such election until on or after July 1st of the school year following such notice.

SEC. 7. Section 4917 of said code is amended to read:

Conduct of
elections

4917. The election shall be conducted as elections for members of governing boards of elementary school districts are conducted, except as may be otherwise provided in this chapter. The county superintendent of schools may divide the district or districts into election precincts for the holding of the election and shall appoint one inspector and two judges of election in each precinct. If none are appointed, or if those appointed are not present at the time for opening the polls, the registered voters present may appoint them, and they shall conduct the election. The polls shall be opened at 7 o'clock a.m. and closed at 7 o'clock p.m.

SEC. 8. Section 4920 of said code is amended to read:

Rejection
of recommendations

4920. (a) If the plans and recommendations of the county committee are rejected by the voters, the county committee shall resurvey the territory in the manner hereinbefore provided and make plans and recommendations.

(b) When the new plans and recommendations are identical with those previously submitted, the augmented county committee, without resubmitting the plans to the State Board of Education, may determine that a second election shall be held thereon not later than a year from the previous election. The county superintendent of schools shall thereupon call and conduct an election as provided in this article.

(c) When the new plans and recommendations are not identical with those previously submitted to the State Board of Education, or when they are identical but the augmented county committee does not make the determination provided in subsection (b) of this section, the county committee shall transmit the new plans and recommendations to the State Board of Education. If the State Board of Education approves the new plans and recommendations, the county superintendent of schools shall thereupon call and conduct the election as provided in this article.

SEC. 9. Section 4941.1 of said code is amended to read:

4941.1. Notwithstanding the provisions of this article, any unified school district which before July 1, 1955, became coterminous with the boundaries of a county shall be governed by an elective board of trustees. The board shall consist of one member from each supervisorial district in the county.

Board of trustees of unified school district coterminous with county boundaries

SEC. 10. Section 4941.2 of said code is amended to read:

4941.2. When a unified school district coterminous with the boundaries of a county is formed before July 1, 1955, the county superintendent of schools shall appoint a board of school trustees of five members for it, one from each supervisorial district. The three members appointed from the odd-numbered districts shall hold office until the election of their successors.

Same Appointment

At the first election for members of the board, which shall be held at the next general election, there shall be three trustees elected by the electors of the county at large, one of whom shall be a resident of each odd-numbered supervisorial district, whose terms shall begin at noon on the first Monday after the first day of January following the election, and they shall hold office for four years, or until their successors are qualified. Two years after the first election the remaining trustees shall be elected by the electors of the county at large, one trustee from each of the even-numbered supervisorial districts, each trustee being a resident of the district he represents. Their terms of office shall begin at noon on the first Monday after the first day of January following their election, and they shall hold office for four years, or until their successors are qualified. Four years from the date of each of these elections, and in a similar manner subsequently, there shall be elected in a like manner a sufficient number of trustees to replace those trustees whose terms expire the following January.

Each election provided for in this section shall be consolidated with the general election held within the county on the same date. Only one form of ballot shall be used and the returns shall be canvassed by the board of supervisors. The expenses of the election shall be borne by the county.

CHAPTER 461

An act to amend Sections 3661, 4661, 4662, and 4663 of the Education Code, relating to school districts.

[Approved by Governor May 12, 1955. Filed with Secretary of State May 12, 1955]

In effect September 7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3661 of the Education Code is amended to read:

3661. (a) A majority of the registered voters residing in each of one or more elementary, union elementary, or joint

Petition to include elementary school districts in union or joint union high school district

union elementary school districts which are part of one or more high school districts, may present to the county superintendent of schools who has jurisdiction over the elementary school districts or a majority thereof, a petition asking for the organization of a union or joint union high school district, as the case may be, to include all of the elementary school districts represented in the petition; provided, the following conditions exist:

(1) There are resident in the districts 1,000 or more pupils enrolled in grades 9 through 12 as shown by the last reports of the teachers of the school districts attended, and

(2) The assessed valuation of the districts totals twenty million dollars (\$20,000,000) or more.

The petition shall specify the name of the proposed union or joint union high school district. The person securing the signatures to any such petition shall attach an affidavit thereto that all persons who signed the petition did so in the presence of the affiant and that each signature is the genuine signature of the person whose name it purports to be. The county superintendent of schools shall, within 20 days after receiving the petition, verify the signatures and, if he finds them sufficient, submit the petition to the State Board of Education for approval.

(b) A high school district may be formed to comprise one or more elementary school districts meeting the conditions set forth in subsection (a) except having in the aggregate less than 1,000 pupils resident therein enrolled in grades 9 through 12, but may be effected only as a reorganization under Chapter 16 of this division.

SEC. 2. Section 4661 of said code is amended to read:

When
boundaries
of unified
school
district may
be changed

4661. The boundaries of a unified school district may be changed not later than February 1st of any school year in the same manner as boundaries of elementary school districts. Change of boundaries shall not become effective until the first day of July next succeeding, except that, for the purpose of assessing the property contained in the territory or school districts affected by the change of boundaries for determining the rate of school district tax to be levied, the change of boundaries shall become effective on the first Monday in March next succeeding the change of boundaries.

SEC. 3. Section 4662 of said code is amended to read:

Effect of
merger

4662. Two or more adjoining unified school districts may merge at any time during a school year, but not later than the first day of February, to form a single unified school district in the same manner as elementary school districts may be united. Whenever a unified school district is merged with another unified school district, the resulting district is a single unified school district. The merger shall become effective on the first day of July next succeeding, except that for the purpose of assessing the property contained in the territory or school districts affected by the merger for determining the rate of school district tax to be levied, the merger shall become

effective on the first Monday in March next succeeding the merger.

SEC. 4. Section 4663 of said code is amended to read:

4663. One or more contiguous elementary or high school districts, one of which is contiguous to a unified school district, may be annexed to the unified school district not later than the first day of February in any school year by the board of supervisors of the county having jurisdiction over the unified school district whenever a majority of the registered voters in each of the elementary or high school districts voting at an election held for that purpose vote in favor of the annexation and the governing board of the unified school district has filed its approval of the annexation, in writing, with the board of supervisors. The election shall be called by the county superintendent of schools having jurisdiction over the unified school district whenever a majority of the registered voters residing in each of the elementary or high school districts petition the county superintendent of schools to call the election or whenever the State Board of Education notifies the county superintendent of schools of its approval of plans and recommendations of a county committee pursuant to Section 4911.1. Annexation

CHAPTER 462

An act to amend Section 4103, to repeal Section 4104 of, and to add Section 4104 to the Education Code, relating to governing boards of junior college districts.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4103 of the Education Code is amended to read:

4103. In every junior college district which was divided into five wards on or before the effective date of this section, one member of the board shall be elected from each ward by the registered voters of the ward. On or before January 1st of a fiscal year the governing board of the district may rearrange the boundaries of the wards to provide for representation in accordance with population and geographic factors or may abolish the wards. Election
by ward

SEC. 2. Section 4104 of said code is repealed. Repeal

SEC. 3. Section 4104 is added to said code, to read:

4104. The county committee on school district organization may provide for trustee areas in junior college districts in the same manner as trustee areas may be provided for in unified districts under Sections 4905 to 4909, inclusive. Notwithstanding the provisions of Section 4102, the governing board of a junior college district shall be composed of five or seven members elected for a four-year term when trustee areas are provided under this section. Trustee
areas

CHAPTER 463

An act to amend Section 28115 of the Government Code, relating to compensation for public service in a county of the fifteenth class.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 28115 of the Government Code is amended to read:

Tulare
County
officers:
Salaries

28115. In a county of the fifteenth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The county auditor, seven thousand five hundred dollars (\$7,500) a year.

(b) The district attorney, ten thousand dollars (\$10,000) a year.

(c) Each supervisor, five thousand four hundred dollars (\$5,400) a year for all personal services performed by him as supervisor and member of the board of equalization, and his actual and necessary traveling expenses incurred in performing any of the duties of his office, the claim for which shall be allowed and paid out of the county general fund in the same manner as other claims are allowed and paid. The traveling expenses exclusive of meals and hotel accommodations shall not exceed seven cents (\$0.07) a mile.

(d) Each member of the grand jury shall be allowed four dollars (\$4) for each day in attendance upon the sessions of the grand jury or for each day's active and necessary service as a member of any committee of the grand jury. Each grand juror shall be allowed mileage at the rate of five cents (\$0.05) a mile for each mile actually and necessarily traveled in attendance upon and returning from meetings of the grand jury or any actual or necessary session of a grand jury committee duly called by the secretary or committee chairman, but no mileage shall be allowed outside of the county. For attending as a trial juror in a criminal action in the superior court, three dollars (\$3) per day if called but not sworn to try the cause, and four dollars (\$4) per day if called and sworn to try the cause. For attending as a trial juror in a civil action in the superior court, four dollars (\$4) per day if called but not sworn to try the cause and five dollars (\$5) per day if called and sworn to try the cause. For attending as a trial juror in the justice court for each juror sworn to try the cause, two dollars (\$2) a day. For each mile actually traveled in attending court as a juror, seven cents (\$0.07) a mile each way from the place of residence to the court.

CHAPTER 464

An act to amend Sections 336.3, 344.1, 346.1, and 346.2 of the Agricultural Code, relating to location of cattle brands.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 336.3 of the Agricultural Code is amended to read:

336.3. The chief shall, by rule, prescribe the location on the animal where different types of brands, including recorded brands and cattle record brands, may be applied. Rules

SEC. 2. Section 344.1 of said code is amended to read:

344.1. A vent brand may be applied on either loin of an animal. Only the owner's recorded brand may be used as a vent. No recordings shall be issued allowing the use of any other brand as a vent. Vent brand

SEC. 3. Section 346.1 of said code is amended to read:

346.1. A cattle record brand may be placed upon either loin in front of the hip and behind the ribs or on the right jaw. A cattle record brand for dairy cattle of the Holstein, Jersey, Guernsey, Ayrshire, Brown Swiss, Dutch Belted and Milking Shorthorn breeds may be placed upon the right hip in lieu of on the loin. Such brand shall be used for purposes of identification only and not as evidence of ownership. Cattle record brand

SEC. 4. Section 346.2 of said code is amended to read:

346.2. When placed upon the loin or right jaw any such brand shall consist of consecutive numerals, letters or combination of numerals or letters, but when placed upon the right hip any such brand shall consist of at least three consecutive numerals constituting a number greater than 200. Contents

CHAPTER 465

An act to amend Section 336.6 of the Agricultural Code, relating to applications for cattle brands.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 336.6 of the Agricultural Code is amended to read:

336.6. The application shall contain:

- (a) A facsimile of the brand sought to be recorded.
- (b) A statement of the location on the animal where the brand is to be applied.
- (c) The name and address of the applicant.
- (d) The signature of a parent or guardian if the applicant is under 21 years of age.

CHAPTER 466

An act to amend Section 353.9 of the Agricultural Code, relating to cattle hide and brand inspection fees.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 353.9 of the Agricultural Code is amended to read:

353.9. The fee for the inspection of cattle, other than suckling calves accompanying their mothers, shall be ten cents (\$0.10) when the cattle are transported for purposes other than sale or slaughter and no change of ownership is involved. The fee as set forth in this section shall apply to pasture cattle transported out of a point-of-origin zone or out of the State of California.

CHAPTER 467

An act to amend Sections 396 and 399 of the Agricultural Code, relating to sale of estrays.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 396 of the Agricultural Code is amended to read:

396. If the market value of the animal exceeds forty dollars (\$40), and if after 30 days from the date of seizure no claim is made for the animal, the director shall proceed to sell such animal or animals at public sale, in conformity with the general procedure provided in the law concerning sales on execution, and the director shall be entitled to the same fees as are provided by law for sales under execution. If the market value of the animal is forty dollars (\$40) or less, or if the animal is in a condition requiring immediate disposal, such animal may be sold at any time after five days following seizure.

All sales made under the provisions of this article convey a good and valid title to the purchaser, and the owner of the animal or animals so sold shall thereafter be barred from all right to recover the same.

SEC. 2. Section 399 of said code is amended to read:

399. The proceeds from the sale of animals shall be paid into, and the expenses of holding, advertising, sale, and other incidental expenses shall be paid from, the Department of Agriculture Fund. For the keeping and care of such animal, the taker-up shall be entitled to the sum of not to exceed fifty cents (\$0.50) per day for each bovine animal, horse, mule or burro, and the sum of not to exceed fifteen cents (\$0.15) per day for each sheep, goat or swine, but in no event shall the taker-up be paid for feed and care for more than five days prior to the

date said animal is reported to the director. If any person shall, within one year after the date of the sale, prove to the satisfaction of the director his ownership of the animal so sold the director shall order the net proceeds of the sale of such animal to be paid to such person.

CHAPTER 468

An act to amend Section 1011 of the Agricultural Code, relating to spray residue.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1011 of the Agricultural Code is amended to read:

1011. It is unlawful to pack, ship, or sell any produce carrying spray residue or other added deleterious ingredients in excess of the maximum quantity or permissible tolerance established in accordance with the provisions of this article.

Until a different maximum quantity or permissible tolerance is established as hereinafter provided, the maximum quantity of certain deleterious ingredients on produce is as follows: fluorine, 7 parts per million; arsenic, expressed as arsenic trioxide, 3.5 parts per million; lead, 7 parts per million; dichloro-diphenyl-trichloroethane (DDT), 7 parts per million.

The director after investigation may establish by rules and regulations a different maximum quantity or permissible tolerance in excess of the amounts hereinbefore stated, and may establish a maximum quantity or permissible tolerance for any other deleterious ingredient which he finds to be harmful to human health or domestic animals when present on produce in quantities greater than the maximum amount or permissible tolerance so established.

CHAPTER 469

An act to add Section 3921.1 to the Education Code, relating to the change of name of high school districts maintaining junior colleges.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3921.1 is added to the Education Code, to read:

3921.1. The governing board of any high school district maintaining a junior college may request that the name of the district be changed to include the words "high school district and junior college."

CHAPTER 470

An act to repeal Section 4 of Chapter 14 of the Statutes of 1953, relating to the Insurance Commissioner.

In effect
September
7, 1955

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4 of Chapter 14 of the Statutes of 1953 is repealed. The purpose of this repeal is to eliminate an unnecessary provision which is surplusage.

CHAPTER 471

An act to amend Section 10 of the Insurance Code, relating to the definitions contained therein.

In effect
September
7, 1955

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 10 of the Insurance Code is amended to read:

10. "Section" means a section of this code unless some other statute is specifically mentioned and "subdivision" or "subsection" means a subdivision or subsection of the section in which that term occurs unless some other section is expressly mentioned.

CHAPTER 472

An act to amend Sections 10831.5 and 10882 of the Insurance Code, relating to mutual life and disability insurers.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 10831.5 of the Insurance Code is amended to read:

Approval of
salaries

10831.5. An insurer subject to this chapter shall not pay or agree to pay to any person a salary exceeding the sum of seven thousand five hundred dollars (\$7,500) annually, unless such action is authorized by the affirmative votes of more than half the number of persons elected to and serving on its board of directors. The minutes of the meeting of the board of directors at which such an act is authorized shall state the duties to be performed for such salary and name the person who is to be so employed.

A certified copy of the minutes of the meeting at which such salary is approved shall be filed with the commissioner within 10 days after the meeting.

SEC. 2. Section 10882 of the Insurance Code is amended to read:

10882. Thereafter the insurer shall not include in its policies the provisions required by the preceding article. Except as provided in this article, such insurer, after such transformation, shall conduct its business as a mutual legal reserve insurer and be subject to all laws relating to such insurers and not to this chapter. However, such election shall not affect the rights or obligations of the insurer or its members on any contract theretofore made, except that thereafter an assessment may not be levied by it upon any insured thereof under any disability policy theretofore issued by it on the stipulated premium plan, and except also that thereafter an assessment shall not be levied by it upon any insured thereof under any life policy theretofore issued by it on the stipulated premium plan unless such assessment shall first have been approved in writing by the commissioner.

Law applicable upon conversion to mutual legal reserve insurer

CHAPTER 473

An act to amend Section 11524 of the Insurance Code, relating to grants and annuities societies.

[Approved by Governor May 12, 1955. Filed with Secretary of State May 12, 1955.]

In effect September 7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 11524 of the Insurance Code is amended to read:

11524. Except as prescribed in this chapter, such organization or person shall be otherwise exempt from the provisions of this code and other insurance laws of this State, except the provisions of Sections 730 to 737, Section 1011, Sections 1012 to 1044, and Sections 1056.5 to 1061. The cost and expense of examining such organization or person shall be paid as prescribed in Section 736.

CHAPTER 474

An act to amend Sections 17005 and 17006 of the Government Code, relating to registers of state warrants issued.

[Approved by Governor May 12, 1955. Filed with Secretary of State May 12, 1955.]

In effect September 7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 17005 of the Government Code is amended to read:

17005. The Controller shall keep a register of warrants showing the fund upon which each is drawn, its number, in whose favor, and the appropriation applicable to its payment. He shall preserve all warrants delivered to him by the Treasurer.

SEC. 2. Section 17006 of said code is amended to read :

17006. The Controller shall, on each business day, furnish the Treasurer with a report of the total number and amount of warrants drawn by him upon each fund in the State Treasury since the date of his last report.

CHAPTER 475

An act to amend Sections 19360 and 19365 of the Government Code, relating to transfer in the state civil service.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19360 of the Government Code is amended to read:

19360. An appointing power may at any time transfer any employee under his jurisdiction: (a) to another position in the same class; or (b) to another position in a different class designated as appropriate by the board; or (c) from one location to another location either in the same position, or in a different position as specified above in (a) or (b).

SEC. 2. Section 19365 of the Government Code is amended to read:

19365. With the approval of the board, an employee may be transferred from a position in one class to a position in another class involving substantially the same level of duties, responsibility and salary but requiring additional or different special requirements. The board may require the employee to demonstrate in an examination conducted by the board that he possesses the additional or different requirements.

CHAPTER 476

An act to amend Section 5073 of the Revenue and Taxation Code, relating to tax liens on lieu lands.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5073 of the Revenue and Taxation Code is amended to read:

5073. The board of supervisors shall report the cancellation of the liens to the State Lands Commission and to the county auditor.

CHAPTER 477

An act to repeal Chapter 3, comprising Sections 5200 to 5207, inclusive, of Division 6, Title 1 of the Government Code, relating to payment of taxes and assessments with bonds of public bodies.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Chapter 3, comprising Sections 5200 to 5207, inclusive, of Division 6, Title 1 of the Government Code is repealed.

CHAPTER 478

An act to amend Section 8426 of the Water Code, relating to assessments for maintenance and operation of flood control projects.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8426 of the Water Code is amended to read:

8426. Each maintenance area is a district within which assessments are collected according to the value of the land therein, and the provisions of Chapter 8, Part 1, Division 2, Title 5 of the Government Code shall be complied with.

CHAPTER 479

An act to add Section 553.5 to the Code of Civil Procedure, relating to attachment.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 553.5 is added to the Code of Civil Procedure, to read:

553.5. Whenever a defendant appeals and the enforcement of the judgment against him is stayed by the filing of a sufficient undertaking on appeal as provided by this code, all property of said defendant which has been attached in said action shall be released from the attachment levy upon the justification of the defendant's sureties, or written waiver thereof, or upon the failure of the respondent to except to said sureties within five days after written notice of the filing of the undertaking. If the officer's fees for services rendered

on the attachment are unpaid, such officer may retain so much of the property or proceeds thereof as may be necessary to pay the same.

CHAPTER 480

An act to amend Section 454 of the Vehicle Code, relating to authorized emergency vehicles.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 454 of the Vehicle Code is amended to read:

454. Exemptions to Authorized Emergency Vehicles. The driver of an authorized emergency vehicle shall be exempt from those provisions of this code herein set forth under the following conditions:

(a) Said exemptions shall apply whenever any said vehicle is being driven in response to an emergency call or when used in the immediate pursuit of an actual or suspected violator of the law, or when responding to but not upon returning from a fire alarm.

(b) Said exemptions shall apply only when the driver of said vehicle sounds a siren as may be reasonably necessary and the vehicle displays a lighted red lamp visible from the front as a warning to others. Under the circumstances hereinabove stated, any said driver shall not be required to observe those regulations contained in Chapter 3 or in Chapters 6 to and including Chapter 13 of Division 9 or Section 604 of this code, but said exemptions shall not relieve the driver of any said vehicle from the duty to drive with due regard for the safety of all persons using the highway, nor shall the provisions of this section protect any such driver from the consequences of an arbitrary exercise of the privileges declared in this section.

CHAPTER 481

An act to amend Section 7047 of the Water Code, relating to alteration of the course of any nonnavigable stream.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7047 of the Water Code is amended to read:

7047. No person may alter, divert or deflect the course of any nonnavigable stream in any surface mining dredging operation without first obtaining the approval of the board of supervisors of the county in which dredging is being done.

Nothing in this section shall be construed as conflicting with the powers of the State Reclamation Board or the California Debris Commission or contractors or permittees carrying out flood control projects under authority of either board or commission.

CHAPTER 482

An act to amend Section 409 of the Water Code, relating to publication of notice of intention to engage in rainmaking operations.

[Approved by Governor May 12, 1955. Filed with Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 409 of the Water Code is amended to read:

409. The licensee shall cause the notice of intention to be published at least once a week for three consecutive weeks in a newspaper having a general circulation and published within any county wherein the operation is to be conducted and in which the affected area is located, or, if the operation is to be conducted in more than one county or if the affected area is located in more than one county or is located in a county other than the one in which the operation is to be conducted, then such notice shall be caused to be published in like manner in a newspaper having a general circulation and published within each of such counties. In case there is no newspaper published within the appropriate county, publication shall be made in a newspaper having a general circulation within the county.

CHAPTER 483

An act to amend Sections 2684 and 2685 of the Penal Code, relating to transfer of prisoners to state hospitals.

[Approved by Governor May 12, 1955. Filed with Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2684 of the Penal Code is amended to read:

2684. If, in the opinion of the Director of Corrections, the rehabilitation of any mentally ill, mentally deficient, or insane person confined in a state prison may be expedited by treatment at any one of the state hospitals under the jurisdiction of the Department of Mental Hygiene, the Director of Corrections, with the approval of the Adult Authority, shall certify that fact to the Director of Mental Hygiene who may authorize receipt of such prisoner at one of such hospitals for

care and treatment. The superintendent of the hospital shall receive the prisoner and keep him until in the opinion of the superintendent such person has been treated to such an extent that he will not benefit from further care and treatment in a state hospital.

SEC. 2. Section 2685 of the Penal Code is amended to read:

2685. Upon the receipt of a prisoner, as herein provided, the superintendent of the state hospital shall notify the Director of Corrections of that fact, giving his name, the date, the prison from which he was received, and from whose hands he was received. When in the opinion of the superintendent the mentally ill, mentally deficient or insane prisoner has in the opinion of the superintendent been treated to such an extent that such person will not benefit by further care and treatment in the state hospital, he shall immediately notify the Director of Corrections of that fact. The Director of Corrections shall immediately send for, take and receive the prisoner back into prison. The time passed at the state hospital shall count as part of the prisoner's sentence.

CHAPTER 484

An act to amend Section 22 of the Alameda County Flood Control and Water Conservation District Act, relating to contracts for improvements.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 22 of the act, cited in the title hereof, is amended to read:

Sec. 22. All contracts for any improvement or unit of work when the cost thereof according to the estimate of the engineer, will exceed two thousand dollars (\$2,000), shall be let to the lowest responsible bidder or bidders in the manner hereinafter provided. The board shall first determine whether such contract shall be let as a single unit for the whole of the work, or shall be divided into severable convenient parts, or both, according to the best interests of the district. The board shall make call for bids and advertise such call by three (3) insertions in a daily newspaper of general circulation or by two (2) insertions in a weekly newspaper of general circulation printed and published in said district inviting sealed proposals for the construction or performance of the improvement or work before any contract is made therefor. Such call for bids shall state whether such work is to be performed as a unit for the whole thereof or shall be divided into severable convenient specific parts, or both, as stated in the call. The board may let such work by single contract for the whole thereof as a unit or it may divide such work into severable convenient

parts by separate contracts, as stated in such call, according to the best interests of the district. The board shall require the successful bidder or bidders to file with the board good and sufficient bonds to be approved by the board conditioned upon the faithful performance of the contract and upon the payment of their claims for labor and material in connection therewith, such bonds to contain the terms and conditions set forth in Chapter 3 of Division 5 of Title 1 of the Government Code and to be subject to the provisions of that chapter. The board shall also have the right to reject any and all bids. In the event no proposals are received pursuant to advertisement therefor, or the estimated cost of such work does not exceed the sum of two thousand dollars (\$2,000), or the work consists of channel protection, or maintenance work, or emergency work when necessary in order to protect life and property from impending flood damage, the board of supervisors may, without advertising for bids therefor, have said work done by day labor, under the direction of the board, by contract, or by a combination of the two. If any change or alteration in a contract awarded under the provisions of this section is deemed necessary and the cost thereof does not exceed ten percent (10%) of the original contract price, the board may authorize the contractor to proceed with the change or alteration without the formality of obtaining bids therefor. The district shall have the power to acquire in the open market without advertising for bids therefor, materials, equipment and supplies for use in any work or for any other purpose; provided, however, that materials and supplies for use in any new construction work or improvement, except work referred to in the preceding sentence, may not be purchased if the cost thereof exceeds two thousand five hundred dollars (\$2,500), without advertising for bids and awarding the contract therefor to the lowest responsible bidder.

CHAPTER 485

An act to amend Sections 220 and 230 of the Elections Code, relating to affidavits of registration.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 220 of the Elections Code is amended to read:

220. The affidavit of registration shall show:

- (a) The facts necessary to establish the affiant as an elector
- (b) Affiant's name at length, including given name, and a middle name or initial, or if initial of given name is customarily used, then initial and middle name. The given name of a woman shall be preceded in all cases by the designation of Miss or Mrs.

Contents of
affidavit

(c) Affiant's place of residence and post-office address with sufficient particularity to identify it and to determine affiant's voting precinct.

(d) Affiant's occupation.

(e) The country or state of affiant's birth.

(f) If foreign born, how citizenship was acquired, whether by:

(1) Citizenship of father.

(2) Treaty or act of Congress.

(3) Order of a court of naturalization.

(4) Marriage to a citizen.

(5) Naturalization of a parent or husband.

The date or year when and the place where affiant became a citizen shall be stated except in the case of citizenship acquired by citizenship or naturalization of parents, by treaty, or by act of Congress. When citizenship depends upon the citizenship or naturalization of parent or husband the name of the parent or husband shall be stated.

(g) Whether the elector is able to read the Constitution in the English language and to write his name, and whether the elector has any physical disability by reason of which he cannot mark the ballot; in which case the nature of such disability shall be stated.

(h) That the affiant is not disqualified to vote by reason of a felony conviction.

Affiant shall sign the affidavit with his or her name at length, including given name, middle name or initial, or initial and middle name, and if he is unable to write he shall sign with a mark or cross, and the person before whom the affidavit is made shall insert the date of the affidavit, which shall be the date of the jurat.

SEC. 2. Section 230 of said code is amended to read:

Form

230. Subject to the provisions of this chapter, the body of the affidavit of registration shall be substantially in the following form:

For transfer or change of name	<p style="text-align: center;">I am registered under the name of</p> <p>-----</p> <p>in ----- Assembly District, ----- precinct</p> <p>in said county and request that said registration be canceled.</p>
--------------------------------------	---

AFFIDAVIT OF REGISTRATION

State of California }
 (-----) County of } ss.

The undersigned affiant, being duly sworn, says: I will be at least 21 years of age at the time of the next succeeding election, a citizen of the United States 90 days prior thereto, and a resident of the State one year, of the county 90 days, and

of the precinct 54 days next preceding such election, and will be an elector of this county at the next succeeding election.

1. I have not registered in another precinct in the State since January 1, 19____. (If applicant has previously registered in this county or has registered under another name, mark out word "not" and fill out transfer clause at top. If applicant is registered in another county mark out word "not" and applicant must execute a separate affidavit of cancellation before he can register.)

2. My full name is _____ (including Christian or given name, and middle name or initial and in case of women, the prefix Miss or Mrs.).

3. My residence is _____ between _____ and _____ Streets, _____ floor, Room _____.

4. My height is _____ feet _____ inches.

5. I was born in _____.

(State or country)

6. I acquired citizenship by (underline method of acquiring citizenship):

- a. Decree of court.
- b. { Father's naturalization.
- { Mother's naturalization.
- c. Citizenship of father.
- d. Marriage to a citizen.
- e. Naturalization of my husband.
- f. Act of Congress.
- g. Treaty.

When { month } _____ Where { city } _____
 { day } _____ { state } _____
 { year } _____

My { father's } _____
 { husband's } name is (was) _____
 { mother's } _____

(To be filled out when citizenship depends on citizenship or naturalization of parent or husband.)

7. I can _____ read the Constitution in the English language; I can _____ write my name; I am entitled to vote by reason of having been on October 10, 1911 (a) An elector. (b) More than 60 years of age.

I can _____ mark my ballot by reason of _____ (state physical disability, if any).

8. I intend to affiliate at the ensuing primary election with the _____ party. (If affiliation is not given, write or stamp "Declines to state.")

9. I am not disqualified to vote by reason of a felony conviction.

(Affiant sign here)

Residence _____

Subscribed and sworn to before
me this

----- day of -----, 19-----

County Clerk

By -----

Deputy County Clerk

My occupation is----- Assembly district-----

Post-office address is----- Precinct-----

Rural route No.----- Box No.-----

CHAPTER 486

An act to amend Section 11 of, and to add Section 36 to, the Alameda County Flood Control and Water Conservation District Act, relating to the Alameda County Flood Control and Water Conservation District.

In effect
September
7, 1955

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 11 of the Alameda County Flood Control and Water Conservation District Act is amended to read:

Instituting
projects

Sec. 11. The board may institute projects for single zones and joint projects for two or more zones, for the financing, constructing, maintaining, operating, extending, repairing or otherwise improving any work or improvement of common benefit to such zone or participating zones. For the purpose of acquiring authority to proceed with any such project, the board shall adopt a resolution specifying its intention to undertake such project, together with the engineering estimates of the cost of same to be borne by the particular zone and in the case of participating zones the proportionate cost to be borne by each of the participating zones and fixing a time and place for public hearing of said resolution and which shall refer to a map or maps showing the general location and general construction of said project. Notice of such hearing shall be given by publication once a week for two consecutive weeks prior to said hearing, the last publication of which notice must be at least seven (7) days before said hearing, in a newspaper of general circulation, circulated in such zone or each of said participating zones, if there be such newspaper, and if there be no such newspaper then by posting notice for two consecutive weeks prior to said hearing in five public places designated by the board, in such zone or in each of said participating zones. Said notice must designate a public place in such zone or in each of said participating zones where a copy or copies of the map or maps of said joint project may be seen by any interested person; said map must be posted in each of said public places so designated in said notice at least two weeks prior to said hearing.

Estimates

Notice of
hearing

At the time and place fixed for the hearing, or at any time to which said hearing may be continued, the board shall consider all written and oral objections to the proposed project. Upon the conclusion of the hearing the board may abandon the proposed project or proceed with the same, unless prior to the conclusion of said hearing a written protest against the proposed project signed by a majority in number of the holders of title to real property, or assessable rights therein, or evidence of title thereto, representing one-half or more of the assessed valuation of the real property within such zone or within any of the participating zones for which said project was initiated, be filed with the board, in which event further proceedings relating to such project must be suspended for not less than six months following the date of the conclusion of said hearing, or said proceeding may be abandoned in the discretion of the board.

Hearing

Protest

In all matters in this section referred to, the last equalized assessment roll of the County of Alameda next preceding the filing of the protest shall be prima facie evidence as to the ownership of real property, the names and number of the persons who are the holders of title or evidence of title, or assessable rights therein, and as to the assessed valuation of real property within the zone or within any of the participating zones for which the project was initiated.

Evidence of ownership

Executors, administrators, special administrators and guardians may sign the protest provided for in this act on behalf of the estate represented by them. If the property is assessed in the name of such representatives, that fact shall establish the right of such representatives to sign the protest; if assessed in the name of the decedent, minor or incompetent person, certified copies of the letters or such other evidence as may be satisfactory to the board must be produced.

Authority to sign protest

Where real property appears to be owned in common or jointly or by a partnership, or where letters of representatives of decedents, minors or guardians are joint, only one of the owners or representatives or partners may sign the protest for all joint owners or representatives or partners; provided, the party claiming the right to protest for all produces the written consent of his co-owners or representatives or partners so to do; provided further, that where real property appears to be owned in common or jointly by husband and wife either may sign the protest without the written consent of the other.

Where real property is assessed in the name of a trustee or trustees, such trustee or trustees shall be deemed to be the person entitled to sign the protest, and if assessed in the name of more than one trustee the right to sign the protest shall be determined in like manner as above provided with respect to co-owners.

The protest of any public or quasi-public corporation, private corporation or unincorporated association, may be signed by any person authorized by the board of directors or trustees or other managing body thereof, which authorization shall be

in writing; and a proxy executed by an officer or officers thereof, attested by its seal, shall constitute sufficient evidence of such authority, and shall be filed with the board.

The owner of any real property or interest therein, appearing upon the assessment roll, which has been assessed in the wrong name or to unknown owners, or which has passed from the owner appearing as such on the last equalized assessment roll, since the same was made, shall be entitled to sign the protest represented thereby, either by the production of a proxy from such former owner, or by furnishing evidence of his ownership by a conveyance duly acknowledged showing the title to be vested in the person claiming the right to sign the protest, accompanied by a certificate of a competent searcher of titles, certifying that a search of the official records of the county, since the date of the conveyance, discloses no conveyance or transfer out from the grantee or transferee named in the conveyance.

Where the real property has been contracted to be sold, the vendee shall be entitled to sign the protest, unless such real property is assessed in the name of the vendor, in which event the vendor shall be entitled to so do.

Identification The board shall likewise be entitled to inquire and take evidence for the purpose of identifying any person claiming the right to sign the protest as being the person shown on the assessment roll or otherwise as entitled thereto. And, unless satisfactory evidence is furnished, the right to sign said protest may be denied.

SEC. 2. Section 36 is added to said act, to read:

Zones in Pleasanton or Murray Townships Sec. 36. Notwithstanding any other provisions of this act, the following shall apply with respect to the establishment, government, operation and financing of any zone lying wholly or in part in Pleasanton or Murray Townships:

Election, majority vote 1. The board of supervisors shall have no authority to proceed with the establishment of any zone lying wholly or in part in Pleasanton or Murray Townships without first obtaining the approval thereof by a vote of a majority of the qualified electors residing within the boundaries of the proposed zone at a regular or special election on said proposition; said election shall in all particulars be held, as nearly as practicable, in conformity with the general election laws of the State, and the cost thereof shall be reimbursed to the district if a zone is established.

Board of Directors Election 2. Any zone established by the board of supervisors under the provisions of this act lying wholly or in part in Pleasanton or Murray Townships, shall be governed and controlled by a board of seven (7) directors elected by the qualified electors residing within the boundaries of said zone. The first members of said board shall be elected at the election called by the board of supervisors upon the proposition for establishment of said zone.

Term The term of directors shall be three years from and after their election, except that two members of the board first

elected shall serve for a term of one year, two members for a term of two years and three members for a term of three years. The seven directors first elected shall, immediately following their election and qualification, determine their respective terms by lot.

The directors must be residents of the proposed zone and qualified electors and owners of real property therein. Qualifications

The directors shall be elected at large and the method of nomination and election shall be substantially the same as provided by state law for the nomination and election of elementary school district trustees. Nomination and election

Zone directors shall serve without compensation except their actual and necessary expenses incurred in performance of official duties under this act, payable from the funds of said zone. Compensation

3. The board of directors of any zone in which directors have been elected as provided in this act shall have the power to make and enforce all needful rules and regulations for the administration and government of the zone and the zone board may in its discretion appoint a chairman, a secretary and such other officers, agents and employees for the zone board or zone as in its judgment may be deemed necessary, prescribe their duties and fix their compensation. Such officers, agents and employees shall be appointed under and pursuant to the civil service rules and regulations of the County of Alameda; provided, however, that the chairman and secretary of the board, and experts, consultants or technical or other advisers for particular purposes and laborers, employed for a temporary period, may be appointed by the zone board without reference to any classified civil service list. Powers of board

4. If any of the reports, supplementary reports, additional reports or recommendations provided for in Section 9 of this act relate to projects or work in any zone in which a zone board of directors has been elected as provided in this act, full and complete copies thereof shall be filed with the zone board immediately upon the filing of such with the board of supervisors. Reports

5. If, under the provisions of Section 10 of this act, the board finds that any project or work of improvement is in whole or in part for the benefit of any zone in which a board of directors has been elected, the approval or concurrence of the zone board shall be obtained before any final determination is made to proceed with such project or work of improvement. Approval by zone board of project or work

6. No proceeding shall be commenced or taken by the board under Section 11 of this act for the institution of any project or work of improvement in whole or in part in any zone in which a board of directors has been elected, until the board has first received the approval or concurrence of said zone board to the institution of said project or work of improvement. Same

Taxes and
assessments

7. In any zone in which a board of directors has been elected, the tax or assessment for any purpose or purposes, other than administrative costs and expenses of the district, shall be based upon a budget or budgets prepared by, or under the direction of, the zone board of directors.

The taxes and assessments (other than the tax to pay the general administrative costs and expenses of the district and other than any taxes levied pursuant to Section 16 hereof to pay bonds and interest thereon) levied by the board pursuant to Section 12 of this act upon any property in any zone lying wholly or in part in Pleasanton or Murray Townships shall not exceed in the aggregate the sum of fifteen cents (\$0.15) on each one hundred dollars (\$100) of assessed valuation unless a larger tax has been approved by a vote of not less than two-thirds ($\frac{2}{3}$) of the qualified electors voting upon the proposition to increase such tax.

Bonds

8. No proceeding shall be commenced or taken by the board under Section 13 of this act for the incurring of a bonded indebtedness to pay the cost of any work or improvement in any zone in which a board of directors has been elected, until the board has first received the approval or concurrence of said zone board to the incurring of such bonded indebtedness.

The amount of bonded indebtedness outstanding at any time shall not exceed five percent (5%) of the assessed valuation of all taxable property in any zone lying wholly or in part in Pleasanton or Murray Townships.

Legislative
declaration

SEC. 3. The facts constituting the necessity for the addition of the foregoing Section 36 to this act are:

It appears that that portion of the Alameda County Flood Control and Water Conservation District lying in Pleasanton and Murray Townships will remain predominantly agricultural in land use for many years, which creates physical, economic and political problems of a local nature, not existing in the remainder of the district. The majority of the residents and property owners in said townships have demonstrated that under present conditions they will not proceed with the institution of any projects for flood control or water conservation under this act, without such amendment. It is, therefore, essential that Section 36 be added to this act in order that the property owners and residents of Pleasanton and Murray Townships have available for their use provisions in the act whereby they can and will institute a program for solving the flood control and water conservation problems existing in said townships.

CHAPTER 487

An act to amend Section 27550 of the Government Code, relating to the qualifications of the county surveyor.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 27550 of the Government Code is amended to read:

27550. The surveyor shall be a licensed land surveyor or registered civil engineer of the State. He shall be elected in the same manner and for the same term as other county officers unless the board of supervisors of the county shall have provided by ordinance for his appointment by the board.

CHAPTER 488

An act to add Section 27383 to the Government Code, relating to fees charged by county recorders.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 27383 is added to the Government Code, to read:

27383. No fee shall be charged by the recorder for services rendered to the State, to any municipality, county in the State or other political subdivision thereof, except for making a copy of a paper or record.

CHAPTER 489

An act to amend Section 11616 of the Business and Professions Code, relating to the rescission of rejection of offers of dedication of streets and the termination of dedication offers previously rejected.

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 11616 of the Business and Professions Code is amended to read:

11616. If at the time the final map is approved any streets, paths, alleys, or storm drainage easements are rejected, the offer of dedication shall remain open and the governing body may by resolution at any later date, and without further action by the subdivider, rescind its action and accept and open the

streets, paths, alleys, or storm drainage easements for public use, which acceptance shall be recorded in the office of the county recorder; provided, however, that if said offer of dedication has never been accepted, the right to accept said offer as to all or any of the streets, paths, alleys, or storm drainage easements shown on the map may be terminated and abandoned in the same manner as is prescribed for the abandonment or vacation of streets or highways by Part 3, Division 9, or by Chapter 2, Division 2, of the Streets and Highways Code, whichever is applicable.

If a resubdivision or reversion to acreage of the tract is subsequently filed for approval, any offer of dedication previously rejected shall be deemed to be terminated upon the approval of the map by the governing body.

CHAPTER 490

An act to amend Section 102 of the Agricultural Code, relating to plant quarantine and pest control.

In effect
September
7 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 102 of the Agricultural Code is amended to read:

102. Each commissioner is an enforcing officer of all laws, rules and regulations relative to the prevention of the introduction into, or the spread within the State of pests, and as to such activities is under the supervision of the director.

Commissioners, deputy commissioners, and inspectors, holding valid certificates of eligibility for the office to which they have been appointed, are hereby appointed state plant quarantine officers for the purpose of certifying to the pest condition or pest treatment of shipments, when certification as a condition of movement or entry is officially required, and for the purpose of enforcing of laws, rules and regulations, relative to plant quarantine.

The board of supervisors may at their option establish a schedule of fees for any or all classes of certificates to be paid by shippers requesting such certificates. Upon receipt of such scheduled fee, or in the event no schedule has been established, then upon request of the shipper it is the duty of commissioners to make such inspections as may be necessary to determine the facts required by the state or country of intended destination and to issue a certificate stating the facts determined; provided, that no fee shall be charged for certification required by any law, regulation or requirement of the United States or of this State or by any ordinance, regulation or requirement of any county of this State. The schedule of fees established by the boards of supervisors for such certificates

shall be based upon the approximate cost of the inspection made therefor and in no case shall the maximum charge for each certificate on any one consignment, shipment or bill of lading consisting of 10 or less separate packages, parcels, boxes, crates or other containers on an inspection made at one time and place exceed fifty cents (\$0.50) and in no other case one dollar (\$1) for each certificate except for certificates on truckload, carlot or field inspections. It shall be unlawful for any person to alter, deface or wrongfully use a certificate issued under the provisions of this chapter.

The board of supervisors of any county may designate a place or places within such county as fumigation or treatment stations for the purpose of enabling the commissioners to make the inspections referred to in this section, if fumigation or other treatment is required by the state or country of destination as a condition of shipment to such state or country. Upon such designation by the board of supervisors, the inspection of shipments to the state or country of destination requiring fumigation or treatment as a condition of shipment, shall be made by the commissioners at said fumigation or treatment stations.

CHAPTER 491

An act to add Section 1194.95 to the Insurance Code, relating to investments in equipment by insurance companies.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1194.95 is added to the Insurance Code, to read:

1194.95. Excess funds investments may be made in an electronic computer or data processing machine or system to be used in connection with the business of the insurer; provided, however, that such machine or system shall have an original cost of at least two hundred fifty thousand dollars (\$250,000) and shall be amortized in full over a period not to exceed five full calendar years.

CHAPTER 492

An act to amend Section 7 of the American River Flood Control District Act (Chapter 808 of the Statutes of 1927), relating to the American River Flood Control District.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7 of the American River Flood Control District Act is amended to read:

Sec. 7. Each trustee shall receive the sum of twenty dollars (\$20) for attendance at each meeting of the board of trustees; provided, however, that no trustee shall receive pay for more than one meeting in any calendar month. No trustee shall receive any other compensation by reason of being a trustee of the district, except that each trustee shall receive necessary expenses incurred by him in the performance of his duties. Said board of trustees shall elect one of their own number president. They shall establish and maintain an office within the district for the transaction of the business thereof, at which office all books, records, and papers of the district must be kept and be open to public inspection at all reasonable times. They shall hold regular meetings at such office, at such times as they shall by resolution prescribe. Special meetings may be held at such times and places and in such manner as may be provided by rules and regulations adopted by the board of trustees.

CHAPTER 493

An act to amend Section 875.5 of the Fish and Game Code, relating to fish nets.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 875.5 of the Fish and Game Code is amended to read:

875.5. In Districts 1 $\frac{1}{2}$, 2 $\frac{1}{2}$, 5, and Trinity and Klamath River District, it is unlawful to possess any gill or trammel net with meshes over one and three-fourths inches in length, except under regulations which may be prescribed by the commission.

CHAPTER 494

An act to amend Section 2246 of the Business and Professions Code, relating to chiropody.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2246 of the Business and Professions Code is amended to read:

2246. Each applicant shall show by transcripts or other evidence satisfactory to the board that he has attended four resident courses of professional instruction in a school approved by the board covering at least 4,000 hours.

Each hour does not include the time consumed by examinations or tests and shall not be less than 50 consecutive minutes.

Not more than eight hours' work is to be credited to any student in any one day of 24 hours. Each course shall not be of less than 32 weeks' duration. At least 11 months shall intervene between the beginning of any course and the beginning of the preceding course, but these courses need not necessarily have been pursued continuously or consecutively.

The curriculum shall provide for adequate instruction in the following:

Anatomy	Physical therapy
Embryology	Foot orthopedics
Histology	Didactic chiropody
Physiology	Chiropodic medicine
Biochemistry	Physical and laboratory
Bacteriology	diagnosis
Pathology	Neurology
Immunology	Psychology
Pharmacology	Dermatology
Materia medica	Syphilology
Toxicology	Chiropodic surgery
Preventive medicine	Orthopedic surgery
Hygiene	Roentgenology
Shoe therapy	

CHAPTER 495

An act to add Section 13526.1 to the Education Code, relating to compulsory leave of absence for employees of school districts.

[Approved by Governor May 12, 1955 Filed with
Secretary of State May 12, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13526.1 is added to the Education Code, to read:

13526.1. Whenever any certificated employee of a school district is charged with the commission of any sex offense as defined in Section 12011.7 by complaint, information or indictment filed in a court of competent jurisdiction, the governing board of the school district shall immediately place the employee upon compulsory leave of absence for a period of time extending for not more than 10 days after the date of the entry of the judgment in the proceedings. The governing board of the school district may extend the compulsory leave of absence of the employee beyond such period by giving notice to the employee within 10 days after the entry of judgment in the proceedings that the employee will be dismissed at the expiration of 30 days from the date of service of the notice, unless the employee demands a hearing as provided in this article.

Any employee placed upon compulsory leave of absence pursuant to this section shall continue to be paid his regular salary during the period of his compulsory leave of absence if and during such time as he furnishes to the school district

a suitable bond, or other security acceptable to the governing board, as a guarantee that the employee will repay to the school district the amount of salary so paid to him during the period of the compulsory leave of absence in case the employee is convicted of such charges, or fails or refuses to return to service following an acquittal of the offense or dismissal of the charges. If the employee is acquitted of the offense, or the charges against him are dismissed, the school district shall reimburse the employee for the cost of the bond upon his return to service in the school district.

If the employee does not elect to furnish bond, or other security acceptable to the governing board of the district, and if the employee is acquitted of the offense, or the charges against him are dismissed, the school district shall pay to the employee his full compensation for the period of the compulsory leave of absence upon his return to service in the school district.

CHAPTER 496

An act to amend Section 224 of the Labor Code, relating to payment of wages.

In effect
September
7, 1955

[Approved by Governor May 12, 1955. Filed with
Secretary of State May 12, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 224 of the Labor Code is amended to read:

224. The provisions of Sections 221, 222 and 223 shall in no way make it unlawful for an employer to withhold or divert any portion of an employee's wages when the employer is required or empowered so to do by state or federal law or when a deduction is expressly authorized in writing by the employee to cover insurance premiums, hospital or medical dues, or other deductions not amounting to a rebate or deduction from the standard wage arrived at by collective bargaining or pursuant to wage agreement or statute, or when a deduction to cover health and welfare or pension plan contributions is expressly authorized by a collective bargaining or wage agreement.

CHAPTER 497

An act to amend Section 359.6, of the Agricultural Code, relating to licensed slaughterers.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 359.6 of the Agricultural Code is amended to read:

359.6. Before beginning business the applicant must execute a bond to the State in the sum of one thousand dollars (\$1,000) approved by the director, conditioned that such person shall not slaughter, sell or expose for sale any cattle or the meat thereof, without first being the owner thereof, or being authorized so to do by such owner and that in case he shall slaughter any cattle without being the owner or so authorized by the owner, he shall, in addition to all other statutory penalties, pay the value of such animal. All amounts recovered on said bond shall be paid to the owner of the animal or animals.

CHAPTER 498

An act to add Section 1a to Chapter 9 of the Statutes of 1954, relating to the sale or transfer of the Napa State Farm.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1a is added to Chapter 9 of the Statutes of 1954, to read:

Sec. 1a. The Director of Finance is hereby authorized to transfer to the Veterans' Home of California, Department of Veterans Affairs, such portion of the Napa State Farm which has not been authorized to be sold by this act or referred to in Section 2 as he determines should be so transferred.

CHAPTER 499

An act to amend Section 14370 of the Government Code, relating to state public works projects.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 14370 of the Government Code is amended to read:

14370. Every contract awarded under this chapter shall be submitted to the Attorney General or the attorney appointed according to law and authorized to represent the division of the Department of Public Works under which it is to be performed. Such a contract is not binding on the State until the appropriate attorney finds it to be in accordance with the requirements of this chapter, and endorses such finding thereon.

A certified copy of each contract shall be filed with the Controller, but the failure so to file does not invalidate it.

CHAPTER 500

An act to amend Section 11091 of the Government Code, relating to the printing of biennial reports.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11091 of the Government Code is amended to read:

11091. The head of each state agency shall make a written report of its activities to the Governor at least biennially, a copy of which shall be filed with the Secretary of State. No biennial or annual reports of agency activities shall be printed without the approval of the Department of Finance.

CHAPTER 501

An act to add Section 7326 of the Business and Professions Code, relating to the practice of cosmetology.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7326 is added to the Business and Professions Code, to read:

7326. The Legislature in establishing the various classifications of licenses to engage in the practice of cosmetology, and in establishing the qualifications which must be fulfilled as a prerequisite for the issuance thereof, finds that such classifications and qualifications are vital and necessary to protect the public health, safety, and welfare of the people of this State, and any person who engages in the practice of any branch of cosmetology for compensation received or expected without securing a license pursuant to the provisions of this chapter is guilty of a misdemeanor.

CHAPTER 502

An act to amend Section 2022 of the Penal Code, relating to the California State Prison at San Quentin.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2022 of the Penal Code is amended to read:

2022. The primary purpose of the California State Prison at San Quentin shall be to provide for the imprisonment of male offenders.

CHAPTER 503

An act to be known as Fresno Metropolitan Flood Control Act creating a district subject to the approval of the voters within the district, to be known as Fresno Metropolitan Flood Control District, for the purpose of acquiring and constructing facilities for flood control and the drainage of flood, storm and waste waters and the conservation of any thereof, and providing for the government and powers of said district.

[Approved by Governor May 13, 1955. Filed with Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. A flood control district is hereby created, subject to vote of the voters therein as hereinafter provided, to be called Fresno Metropolitan Flood Control District (hereinafter in this act sometimes referred to as "district"). This act may be designated and referred to as the "Fresno Metropolitan Flood Control Act" and any reference thereto by such designation shall be deemed sufficient for all purposes.

Fresno
Metropolitan
Flood
Control
District
Creation

SEC. 2. Said district shall consist of that territory in the County of Fresno, California, lying within exterior boundaries generally described as follows: Commencing at the northwest corner of Section 8 in Township 13 South, Range 20 East, Mount Diablo Base and Meridian; thence east along the north boundary of Sections 8, 9, 10, 11, and 12, same township and range, and the west half of Section 7 in Township 13 South, Range 21 East, to the north one quarter corner of said Section 7; thence south along the north and south center line of said Section 7 to the south one quarter corner of said Section 7; thence east along the north boundary of Sections 18 and 17 in Township 13 South, Range 21 East, to the intersection with the westerly boundary of the right of way of the Helm Canal; thence southeasterly along the southwesterly boundary of the right of way of the Helm Canal to the intersection with a line parallel with and 50 feet west from the east boundary of said Section 17; thence south along a line parallel with and 50 feet west from the east boundary of Sections 17 and 20 in Township 13 South, Range 21 East, to the south boundary of said Section 20; thence east along the south boundary of said Section 20, a distance of 20 feet; thence south along a line parallel with and 30 feet west of the east boundary of Sections 29 and 32, Township 13 South, Range 21 East, to the intersection with the south boundary of the northeast quarter of the northeast quarter of said Section 32; thence south $4^{\circ} 32'$ west a distance of 381.2 feet to a point 60 feet west of the east boundary of said Section 32; thence south along a line parallel with and 60 feet west from the east boundary of said Section 32, to a point 225 feet north from the south boundary of the northeast quarter of said Section 32; thence south $10^{\circ} 05'$ east a distance of 228.5 feet to a point on the south boundary of the northeast quarter

Boundaries

of said Section 32, 20 feet west of the east one quarter corner of said Section 32; thence south along a line parallel with and 20 feet west of the east boundary of Section 32 in Township 13 South, Range 21 East, and Section 5 in Township 14 South, Range 21 East, to the south boundary of the northeast quarter of the northeast quarter of said Section 5; thence east 20 feet to the east boundary of said Section 5; thence south along the east boundary of said Section 5 to the intersection with the northerly boundary of the right of way of the Fancher Creek Canal; thence southwesterly along the northwesterly boundary of said right of way to the intersection with the south boundary of said Section 5; thence west along the south boundary of Sections 5 and 6, in Township 14 South, Range 21 East, to the southwest corner of said Section 6; thence south along the east boundary of Sections 12, 13 and 24 in Township 14 South, Range 20 East, to the southeast corner of said Section 24; thence west along the south boundary of said Section 24, to the west boundary of the right of way of U. S. Highway No. 99; thence northwesterly along the southwesterly boundary of said highway right of way to the intersection with the east and west center line of Section 23 in Township 14 South, Range 20 East; thence west along the east and west center line of Sections 23, 22, and the east half of Section 21, in Township 14 South, Range 20 East, to the center one quarter corner of said Section 21; thence north along the north and south center line of Sections 21 and 16 in Township 14 South, Range 20 East, to the center one quarter corner of said Section 16; thence west along the east-west center line of Sections 16, 17 and 18 in Township 14 South, Range 20 East, to the center one quarter corner of said Section 18; thence north along the north and south center lines of Sections 18, 7, and 6 in Township 14 South, Range 20 East to the center one quarter corner of said Section 6; thence east along the east and west center line of Sections 6 and 5 in Township 14 South, Range 20 East, to the intersection with the westerly boundary of the right of way of the "D" Street Freeway of the California Division of Highways; thence northwesterly along the southwesterly boundary of said right of way across Section 5 in Township 14 South, Range 20 East and Sections 32, 31 and 30 in Township 13 South, Range 20 East to the intersection with the north and south center line of said Section 30; thence north along the north and south center line of said Section 30 and along the west boundary of the southeast quarter of Section 19 in Township 13 South, Range 20 East, to the center one quarter corner of said Section 19; thence west along the south boundary of the northwest quarter of said Section 19 to the southwest corner of the east half of the northwest quarter of said Section 19; thence north along the west boundary of the east half of the northwest quarter of said Section 19 to the north boundary of said Section 19; thence east along the north boundary of said Section 19 to the northeast corner of said section; thence north along the west boundary of

Sections 17 and 8, in Township 13 South, Range 20 East, to the northwest corner of said Section 8, the point of beginning.

SEC. 3. The Board of Supervisors of Fresno County shall not earlier than 30 days after this act takes effect, and not later than one year from the effective date of this act (unless postponed for the purpose of consolidating said district election with a state-wide primary or general election to be held within 18 months from the effective date of this act), give notice of an election to be held in such proposed district for the purpose of determining whether or not the same shall be organized under the provisions of this act. Such notice need not describe the boundaries of the proposed district, but shall refer to this act for a particular description of such boundaries. The notice shall state the date of the election, the hours the polls will be open, and shall designate the election precincts, the polling place within each precinct and the names of the election officers, one inspector, one judge and two clerks, appointed for each precinct. The precincts shall consist of the regular election precincts established in the county for state and county elections or consolidations thereof (not exceeding six regular election precincts in any one consolidated precinct thereof). Any territory which comprises less than an entire regular election precinct may be consolidated with any regular election precinct or precincts for the purpose of said election. The polls at said election shall be opened at 7 o'clock a.m. the day of said election and kept open until 7 o'clock p.m. of the same day. Only qualified voters residing within the district shall be entitled to vote at said election. The board of supervisors shall by resolution provide for said notice. Said notice shall be published once a week for three successive weeks, the first publication to be at least 21 days prior to the date of election, in some newspaper of general circulation published within the district.

Organization
election

Said election may be consolidated with any city election, county election or state-wide primary or general election under the provisions of the Elections Code relating to the consolidation of elections, and in case of consolidation the notice herein provided for may be modified as provided in Section 10058 of the Elections Code.

SEC. 4. Upon the ballot to be used at said election shall be printed substantially the following measure or proposition:

Contents of
ballot

"Shall the proposed Fresno Metropolitan Flood Control District be organized as provided in the act of the Legislature known as the Fresno Metropolitan Flood Control District Act?" The ballot shall be substantially in the form used for county elections upon measures, and shall contain substantially the instructions for voting upon a proposition or measure which are contained in the Elections Code relating to state or county elections. In all particulars not provided in this act such election shall be held and conducted and the returns thereof canvassed and declared in the manner provided in the Elections Code for state or county general elections as held in the County

Majority
vote

of Fresno. Absentee ballots may be cast in the manner provided for county elections in the County of Fresno. If a majority of the voters voting upon the proposition of the organization of said district are in favor of the organization thereof, then said district shall be deemed to be and shall be created with all the rights, powers and duties prescribed in this act and the board of directors of said district shall organize and carry out the purposes of this act. Immediately upon the canvass of the vote the Board of Supervisors of Fresno County must file with the Secretary of State of the State of California a certificate to the effect that the proposal to organize said district was adopted, and from the date of such filing the district shall be deemed created. A certified copy of the order or declaration of the board of supervisors declaring the district organized shall be recorded in the Office of the County Recorder of Fresno County. The order of the board of supervisors declaring the result of such election and declaring the proposal to create the district duly adopted (if it shall be adopted) shall be conclusive evidence that all steps necessary for the creation and organization of said district have been duly performed, and that said district has been duly organized and created.

In the event a majority of the votes cast upon the proposition are not in favor of the organization of the district, the board of supervisors may again submit the proposition at an election to be held at any time within two years from the date of the election at which it failed to carry. Any such election shall be called, held and conducted substantially as provided in Sections 3 and 4 hereof.

Before any assessment tax may be levied for such district the filings with the State Board of Equalization and the county assessor required by Chapter 8, Part 1, Division 2, Title 5 of the Government Code shall be made substantially as provided in said chapter.

Governing
board
Membership

SEC. 5. The governing board of said district shall consist of a board of directors of nine members. The City Engineer of the City of Fresno shall be ex officio a member of said board. The legislative body of the City of Fresno shall appoint four members to said board, one of whom shall be a member of such legislative body and three of whom shall not be members of such legislative body. The Commissioner of Public Works of Fresno County shall be ex officio a member of said board. The Board of Supervisors of the County of Fresno shall appoint three members to said board, one of whom shall be a member of said board of supervisors and two of whom shall not be members of such board of supervisors. The appointing body may remove any member of the board appointed by it at any time by a majority vote of the whole number of members of such body. All members of said board of directors except ex officio members and any members of the board of supervisors appointed to the board shall reside within the district. The County Assessor, County Tax Collector, County Auditor and County Treasurer of the County of Fresno, and their successors in

office, shall be ex officio officers of said district, and their assistants, deputies, clerks and employees shall be ex officio assistants, deputies, clerks and employees respectively of said district, and said ex officio officers shall respectively perform, unless otherwise provided by said board of directors, without additional compensation, the same various duties for said district as for the County of Fresno, in order to carry out the provisions of this act. The secretary of the board of directors shall be appointed by said board. The board may also appoint such attorneys, engineers and other employees as it may see fit.

SEC. 6. Within 30 days after creation of the district the appointive members of the Board of Directors shall be appointed by the legislative body of the city and the board of supervisors, respectively, and all of said directors shall qualify by taking and filing with the County Clerk of Fresno County the oath of office provided for public officials. They shall, as soon as convenient, meet and organize by the selection of one of their number as chairman of the board. They shall also select the secretary of the board. The members appointed to the board shall at said first meeting so classify themselves that of the appointive members one of the members appointed by the board of supervisors shall hold office for two years and two shall hold office for four years, and two of the members appointed by the legislative body of the city shall hold office for two years and two shall hold office for four years. The chairman of the board shall hold office for a term of two years from the date of his election as chairman. The secretary of the board shall hold office at the pleasure of the board. Five members of the board shall constitute a quorum, and the decision of a majority of all of the members of the board shall be necessary to take any action, unless otherwise in this act provided; provided, however, that if a meeting is not attended by a majority of the members of the board a lesser number may adjourn the meeting to a specified time and any meeting may be adjourned by the vote of a majority of the members present.

The board shall by resolution fix a regular time and place of meeting, and no notice of regular meetings need be given. The board shall also provide the method of calling special meetings and of giving notice thereof, but no special meeting shall be called upon less than 24 hours notice, except that in an emergency a special meeting may be called upon not less than three hours notice or may be held pursuant to a waiver of notice signed by all members of the board and filed with the minutes of the meeting. Any such emergency call or waiver shall set forth a general statement of the facts deemed to create the emergency. No defect in such statement shall invalidate the special meeting. If any vacancy occurs in any appointive office of the board of directors, such vacancy shall be filled within 60 days from the date it occurs in the same manner as the original appointment was made. The board shall adopt a seal. It may also provide rules and regulations

for the conduct of its meetings and may change such rules and regulations from time to time.

Purposes

SEC. 7. The objects and purposes of this act and of said district shall be to provide for (1) the control of flood, storm and other waste waters of or within said district, including waters which arise outside said district and which flow or drain into or through the said district; (2) the protection from damage by flood, storm or waste waters of private property and of public highways and other public property within said district; and (3) the conservation of flood, storm and waste waters for beneficial and useful purposes by spreading, storing, retaining or causing such waters, or any part thereof, to percolate into the soil within or without said district or the saving and conservation in any manner of any or all of such waters.

Powers
General

SEC. 8. Said district shall be and constitute a public corporation, and as such shall have the powers in this act enumerated, all powers necessarily or reasonably implied therefrom, and all powers necessarily or reasonably implied from the creation and existence of such district. Such powers shall include the following:

1. To have perpetual succession.

2. To sue and be sued in the name of said district in all actions and proceedings in all courts and tribunals of competent jurisdiction.

3. To have and exercise the power of eminent domain.

Acquisition
of property

4. To take by grant, purchase, gift, lease, devise or otherwise and to hold, use and enjoy real or personal property of every kind within or without the district necessary to or convenient for the full exercise of its powers.

5. To acquire lands, rights of way, easements, privileges and property of every kind and nature, to construct, maintain and operate any or all works or improvements within or without the district necessary or proper to carry out any of the objects or purposes of this act, and to complete, extend, add to, repair or otherwise improve any works or improvements acquired by it as herein authorized, or any works or improvements owned or constructed by the City of Fresno, the County of Fresno, Fresno Irrigation District, or any other public agency, or any two or more thereof, and used in whole or in part for flood control or storm drain purposes.

Taxes

6. To levy or cause to be levied as herein provided taxes upon the taxable real property in said district for the purpose of providing funds for such district and for paying any obligations thereof.

Notes,
bonds, etc

7. To incur indebtedness and to issue notes, bonds or other evidence of such indebtedness in the manner herein provided.

Contracts
and em-
ployees

8. To make contracts and to employ appraisers, consultants, attorneys, engineers and other technical advisors and all employees necessary or convenient for the administration of said district, the maintenance and operation of any works under its

jurisdiction, and the planning of any works or construction under this act.

9. To contract with the City of Fresno, County of Fresno, ^{Contracts with other agencies} Fresno Irrigation District, or any other public agency or any public utility for the use of any rights of way, easements, lands, works or property owned by any thereof which are necessary, convenient or useful to the district or necessary or convenient for the construction or operation of any flood control works or storm drain works proposed to be financed by the flood control district; to contract with any of such public agencies for the acquisition or construction by such public agency of any flood control or storm drain works financed by the district, or the maintenance and operation thereof, or for any or all of the foregoing, and such flood control district may carry out any or all of its powers either separately or in conjunction with one or more of said public agencies, and may make any contract or lease or accept any conveyance of property necessary or convenient for the accomplishment of the purposes of said flood control district. The powers granted by this subparagraph shall be liberally construed.

SEC. 9. The district may enter into contracts and do any ^{Same} and all acts necessary or proper for the performance of any agreement with the United States or the State of California or the County of Fresno, the City of Fresno or Fresno Irrigation District, or any public or private corporation, association, firm or individual, or any number of them for the joint acquisition, construction, leasing, ownership, disposition, use, management, maintenance, repair or operation of any levees, works, canals or other property of any kind which might lawfully be acquired or owned by the district, and may acquire the right to carry water through any artificial watercourse, canal, ditch or conduit not owned or controlled by the district, and may grant to any owner or lessee of any such canal, ditch or conduit (including any artificial watercourse used in part for irrigation purposes) the right to the use of any water carried through any such artificial watercourse, canal, ditch or conduit, or any canal, ditch or conduit of the district. Said district may also agree to indemnify the United States of America, the State of California, or any county, city or irrigation district which manages, controls or operates works constructed by or for or used by the flood control district for flood control or drainage purposes.

SEC. 10. The district shall reimburse the County of Fresno ^{Expenses} and the City of Fresno for any expenses incurred by them in the formation of said district. The district shall also pay to the County of Fresno or to the City of Fresno reasonable compensation for any quarters rented therefrom by the district or any services rendered to the district by any officers or employees of such county or city; provided, however, that no compensation shall be paid the city or the county for the service of any public official of such city or county as a member of the board of directors of the district. The board may

also contract with the city or with the county for the furnishing by such city or county of engineering or legal services and the reasonable compensation to be paid such city or county for such service.

Compensation of board members

SEC. 11. Each member of the board of directors (other than those members who are officials of the City of Fresno or the County of Fresno) shall receive ten dollars (\$10) for each day's attendance at the meetings of the board, and a per diem not exceeding ten dollars (\$10) per day while engaged in official business under the order of the board. Each member shall receive his actual and necessary expenses while engaged in official business under the order of the board.

Limitation on powers

SEC. 12. The board of directors shall have no power to incur any debt or liability whatever in excess of the express provisions of this act, and any debt or liability incurred in excess of said provisions shall be and remain void.

Letting contracts in excess of \$2,000

SEC. 13. All contracts for the purchase of materials or supplies or for the repairs or construction of works or improvements, if the amount of the contract price exceeds two thousand dollars (\$2,000), shall be let to the lowest responsible bidder after notice inviting bids published by at least two insertions in a newspaper of general circulation printed and published in the district, the first publication to be not less than 10 days prior to the date set for the opening of bids. Contracts for the purchase of materials or supplies or the making of repairs or construction of works where the total price does not exceed two thousand dollars (\$2,000) may be let by the board without public bidding. Also contracts made with any public agency for the construction, maintenance or operation of any works, drains or structures owned or used by or authorized to be constructed by the district shall not be subject to public bidding.

Borrowing

SEC. 14. The district may borrow money and incur indebtedness for its ordinary expenses and to pay engineers, attorneys and other employees of the district. Each such borrowing shall be authorized by a resolution of the board of directors and shall be evidenced by a note or notes. The total amount so borrowed shall not at any time exceed the amount which could be raised by a ten cent (\$0.10) tax levy upon all taxable real property in the district as shown by the last equalized assessment roll. If the borrowing comes before an assessment roll for the district has been equalized, the county auditor shall estimate the assessed value of the taxable real property in said district and furnish his certificate of such estimate to the board of directors of the district. The board of directors may borrow an amount not to exceed the sum which could be raised by a ten cent (\$0.10) levy upon such estimated value of taxable real property. For the purpose of such borrowing the certificate of valuation of the county auditor shall be final and conclusive. Any moneys so borrowed, with interest thereon, shall be repaid from the proceeds of the next succeeding tax levy or earlier if funds become available therefor.

SEC. 15. The district may incur a bonded indebtedness for Bonds: the acquisition and construction of flood control works (including the acquisition of easements and property) to provide for (a) the control of flood, storm or waste waters of or within said district or which flow or drain into or through said district; (b) protection from damage by flood, storm or waste waters of highways and private and public property within the district; and (c) the conservation of flood, storm and waste waters for beneficial and useful purposes. The election therefor shall be called by resolution, and the resolution shall state the amount of the principal of the indebtedness proposed to be incurred for said purposes, the maximum rate of interest to be paid on said indebtedness (which shall not exceed 6 percent per annum), the manner of holding such election and of voting for or against the incurring of such indebtedness. In all particulars not recited in such resolution the election shall be held as provided by law for holding general county elections in the County of Fresno. Resolution and election

SEC. 16. The resolution shall be published once a week for two weeks in some newspaper of general circulation in such district. No other notice of such election need be given. It shall require the votes of a majority of all the voters voting on the proposition to authorize the issuance of the bonds. Notice Majority vote

SEC. 17. Subject to the provisions of this act the board of directors shall prescribe the form of the bonds to be issued by the district, and of the interest coupons to be attached thereto. The board shall fix the date of the bonds, and may in its discretion divide the aggregate principal amount of any authorized issue into two or more series and fix different dates for each separate series. In the event any authorized issue is divided into two or more series the bonds of each series may be made payable at such time or times as may be fixed by the board separate and distinct from the time or times of payment of bonds of any other series of the same issue; provided, that the maturity or maturities of each separate series shall in each case comply with the provisions of this act. Each issue of bonds, or in the event such issue is divided into two or more series, then each such series, as the case may be, shall be payable substantially in the following manner: a part to be determined by the board which shall not be less than one-fiftieth ($\frac{1}{50}$) part of the whole of such indebtedness evidenced by such issue or such series of such issue shall be payable each and every year from the date of the bonds on a day and date and at a place or places to be fixed by the board and designated in such bonds together with the interest on all sums unpaid at such date; provided, however, that the board may fix the earliest maturity of any issue or series of bonds at not later than five years after the date of the issue or series, and no bond shall run more than 40 years from its date. Form, etc.

SEC. 18. The bonds shall be issued in such denominations as the board may determine, except that no bonds shall be of a smaller denomination than one thousand dollars (\$1,000) Denomination, interest, etc.

nor a greater denomination than one hundred thousand dollars (\$100,000), and shall be payable on the date and at the place or places stated in such bonds, and with interest at the rate specified in the bonds, payable annually for the first year and thereafter semiannually. Said bonds shall be signed by the chairman of the board, by his printed, lithographed or engraved facsimile signature, or may be so signed by such other officer as the board shall by resolution authorize and designate for that purpose, and also signed by the secretary of said board. The coupons of said bonds shall be numbered consecutively and signed by the secretary by his printed, lithographed or engraved facsimile signature. In case any of such officers whose signatures appear on the bonds or coupons shall cease to be such officer before the delivery of such bonds to the purchaser such signature shall nevertheless be valid for all purposes the same as if they had remained in office until the delivery of the bonds.

Redemption
of bonds

SEC. 19. The board may in its discretion provide that all or any part of the bonds issued may at the option of the board be called and redeemed prior to maturity, with such premiums, if any, as said board in the resolution providing for the issuance thereof may determine. In the event any bond is redeemable prior to its maturity a statement substantially to that effect shall be contained in the bond.

Sale of
bonds,
notice, etc.

SEC. 20. The bonds may be issued and sold as the board determines, but for not less than par. Before selling the bonds, or any part thereof, the board shall give notice inviting sealed bids in such manner as the board may prescribe. If satisfactory bids are received the bonds shall be sold to the highest responsible bidder. If no bids are received, or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders, the board may reject all bids received, if any, and either readvertise or sell the bonds at private sale. The proceeds of the sale shall be placed in the treasury of the County of Fresno to the credit of said district.

Disposition
of proceeds

All premiums and accrued interest received shall be placed in the fund to be used for the payment of principal of and interest on the bonds, and the remainder of the proceeds of the bonds shall be placed to the credit of the construction fund of the district and applied exclusively to the purposes recited in the resolution calling the election; provided, however, that when said purposes have been accomplished any moneys remaining in such construction fund shall be transferred to the fund to be used for the payment of principal of and interest on the bonds. When such purposes have been accomplished and all principal of and interest on the bonds have been paid any balance of money then remaining shall be transferred to the general fund of the district.

Assessment
tax to pay
interest, etc

SEC. 21. The board of supervisors shall at the time of fixing the general tax levy and in the manner for such general tax levy provided, levy and collect annually each year until said bonds are paid or until there shall be a sum in the

treasury of the county to the credit of said district and set apart for that purpose sufficient to meet all sums coming due for principal and interest on said bonds, an assessment tax upon all taxable real property in the district sufficient to pay the interest on such bonds as the same becomes due, and also such part of the principal thereof as shall become due before the proceeds of an assessment tax levied at the time for making the next general tax levy can be made available for the payment of such principal. The assessment taxes herein required to be levied and collected shall be in addition to all other assessment taxes levied for district purposes and shall be levied and collected at the time and in the same manner as other district assessment taxes are levied and collected and be used for no other purpose than the payment of said bonds and accruing interest thereon.

SEC. 22. The board of directors must not later than the beginning of each fiscal year prepare an estimate in writing of the amount of money needed for the purposes of the district for such fiscal year. Such estimate shall include the estimated amount required to pay the expenses of the district, the cost of maintenance and operation of any works maintained or operated by the district or under its authority, the amount of any indebtedness (other than bonded debt) of the district currently due or to become due in such fiscal year with interest, if any, payable thereon, the amount deemed necessary by the board of directors for a reserve fund to meet the expenses of the district during the first six months of the next subsequent fiscal year, and the estimated amount necessary for the payment of the costs of any action or proceeding which may be taken by the district, including the cost of employment of attorneys and engineers. Such estimate may for convenience be called the "annual budget." A copy of such estimate shall be filed with the Board of Supervisors of the County of Fresno and the auditor thereof not later than the tenth day of July of such fiscal year. There shall be added to said estimate the amount required to provide for the payment of principal and interest of outstanding bonds of the district and the payment of principal and interest of bonds authorized but not sold but which the board of directors believes will be sold during the first six months of such fiscal year.

Annual
budget

SEC. 23. The board of supervisors shall annually, not later than the first Monday in September, levy an assessment tax upon the taxable real property in the district sufficient to raise the amount stated in the annual budget, and also an assessment tax sufficient to raise the amount required for payment of principal and interest of bonds of the district. The board of supervisors shall determine the rate of each such assessment tax by deducting 10 percent for anticipated delinquencies from the total assessed value of the taxable real property in the district as it appears on the assessment roll of the county and then dividing the sum to be raised by the remainder of such total assessed value; provided, that if a fraction of a cent

Assessment
tax

occurs on a valuation of one hundred dollars (\$100) it shall be taken as a full cent. The assessment tax levied during any year for all purposes other than bond principal and interest shall not exceed twenty cents (\$0.20) on each one hundred dollars (\$100) of the assessed value of the taxable real property in the district according to the last equalized county assessment roll, except that the first tax levy, which may be for a longer period than one fiscal year, may not exceed thirty cents (\$0.30) on each one hundred dollars (\$100) of such assessed valuation. Said tax shall be extended and collected in the same manner and by the same officers and with the same penalties and interest as general county taxes, and when collected shall be paid into the treasury of the county and credited to the district.

Flood
control
works, etc.

SEC. 24. The board may order the construction of flood control works, storm drains and appurtenances and appurtenant work in the whole or any portion of any of the streets, highways or public places (including state highways, after obtaining a permit therefor pursuant to Article 2, Chapter 3, Division 1 of the Streets and Highways Code) within the district or in any property or rights of way owned by the district, and the cost thereof may be assessed upon the lands benefited, all in the manner provided in the Improvement Act of 1911. The Improvement Act of 1911 is applicable to this district. Also the board may order the construction of flood control works, storm drains and appurtenances and appurtenant work in the whole or any portion of any of the streets, highways or public places (including state highways, after obtaining a permit therefor pursuant to Article 2, Chapter 3, Division 1 of the Streets and Highways Code) within the district, or in any property or rights of way owned by the district, and the cost thereof may be assessed upon the lands benefited, all in the manner provided in the Street Improvement Act of 1913. The Street Improvement Act of 1913 is applicable to this district. The powers and duties conferred by such acts upon legislative bodies, officers and agents of cities or counties shall be exercised by the respective board, officers and agents of the district. In the application of such acts to proceedings under this act the terms used in said acts shall have the following meanings:

Definitions

(a) "Legislative body," "city council" or "council" shall mean "board of directors of the district";

(b) "City," "municipality" or "county" shall mean "district";

(c) "Clerk" and "city clerk" mean "secretary of the district";

(d) "Superintendent of streets," "street superintendent" and "city engineer" mean the "engineer of the district" or any other person appointed to perform such duties;

(e) "Tax collector" means "county tax collector";

(f) "Treasurer" and "city treasurer" mean "county treasurer as ex officio treasurer of the district."

Any assessment levied by the district under this section shall be recorded in the office of the Commission of Public Works of the County of Fresno.

The Special Assessment Investigation, Limitation and Majority Protest Act of 1931 shall not apply to proceedings taken under the authority of this section.

SEC. 25. After the first issue of bonds of the district additional bonds may be issued as authorized by the voters of the district. Whenever the board of directors shall by resolution determine that the public interest or necessity demands the issuance by said district of additional bonds said board may submit the question of issuing such bonds to the qualified voters of said district in the manner provided in this act. Such bonds, if authorized, shall be issued and sold in the manner provided in this act. Should any proposition of issuing bonds submitted at any election under this act fail to receive the requisite number of votes of the qualified voters voting at such election to incur the indebtedness for the purposes specified, the board of directors of said district shall have no power and authority until the expiration of six months after such election to call or order another election for incurring indebtedness and issuing bonds under this act. Additional bonds

SEC. 26. The power of eminent domain vested in the board of directors of said district shall include the power to condemn in the name of the district either the fee simple or any lesser estate or interest in any real property which said board by resolution shall determine is necessary to carry out the purposes of this act; provided, the district, in exercising such power, shall in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables or poles of any public utility which is required to be moved to a new location. Eminent domain

SEC. 27. There is hereby granted to the district the right of way for the location, construction and maintenance of flood control channels, ditches, waterways, conduits, canals, storm dikes, embankments, and protective works in, over and across public lands of the State of California, not otherwise disposed of or in use, not in any case exceeding in length or width that which is necessary for the construction of such works and adjuncts or for the protection thereof. Whenever any selection of a right of way for such works or adjuncts thereto is made by the district the board thereof must transmit to the State Lands Commission, the Controller of the State and the recorder of the county in which the selected lands are situated, a plat of the lands so selected, giving the extent thereof and the uses for which the same is claimed or desired, duly verified to be correct. If the State Lands Commission shall approve the selections so made it shall endorse its approval upon the plat and issue to the district a permit to use such right of way and lands. Whenever any of the proposed improvements are to be located in state highways a permit shall be obtained Rights of way

therefor pursuant to Article 2, Chapter 3, Division 1 of the Streets and Highways Code. Said district is also granted such right as the State of California may have to use any watercourse within or without the boundaries of the district for the purposes of said district.

Definitive

SEC. 28. The words hereinafter defined shall be given the meaning stated in this section, unless the context of the word as used at a particular place in the act indicates a different meaning at such place.

1. As used in this act,

(a) "District" means "Fresno Metropolitan Flood Control District";

(b) "Board" means "board of directors of said district";

(c) "County" means "County of Fresno";

(d) "City" means "City of Fresno";

(e) "Irrigation district" means "Fresno Irrigation District";

(f) "Board of supervisors" means "Board of Supervisors of the County of Fresno."

2. As used in this act, the words "flood control works" include dams, reservoirs, canals, ditches, drains, the improvement of natural or artificial watercourses, and the acquisition and construction of any and all improvements appurtenant to or necessary for any flood control work or works, and include the acquisition of any land, easements, property or rights necessary for said flood control works.

Liberal
construction

SEC. 29. This act and every part thereof shall be liberally construed to promote the objects and purposes thereof and to carry out its intents and purposes.

Severability

SEC. 30. If any section, subsection, sentence, clause or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act. The Legislature hereby declares that it would have passed this act, and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more other sections, subsections, sentences, clauses or phrases be declared unconstitutional.

CHAPTER 504

An act to amend Section 28k of the Palo Verde Irrigation District Act (Chapter 452, Statutes of 1923), relating to the Palo Verde Irrigation District.

In effect
September
7, 1955

[Approved by Governor May 13, 1955 Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 28k of the Palo Verde Irrigation District Act is amended to read:

Sec. 28k. The collector must collect, in addition to the taxes shown due on the delinquent list, with the percentages hereinbefore specified added, one dollar (\$1) on each lot, piece or tract of land separately assessed. The collector may postpone the time of sale, but he must give notice thereof at the time and place fixed for the sale in the publication. He may so postpone the time of sale from day to day, but not for a period of more than three weeks; provided, that if the sale be stayed by legal proceedings, the time of the continuance of such proceedings shall not be part of the time limited for making such sale.

CHAPTER 505

An act to amend Section 8.5 of the Civil Defense Act of 1950 (Chapter 3 of the Statutes of the Third Extraordinary Session of 1950), relating to the effective date of the Civil Defense Act of 1950.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8.5 of the act cited in the title hereof is amended to read:

Sec. 8.5. The provisions of this act shall remain in effect until the ninety-first day after final adjournment of the 1957 Regular Session of the Legislature and thereafter shall have no effect.

CHAPTER 506

An act to amend Section 13554 of the Revenue and Taxation Code, relating to inheritances on community property.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13554 of the Revenue and Taxation Code is amended to read:

13554. Where community property is transferred within the provisions of Chapter 4 of this part other than by will or the laws of succession from one spouse to the other:

(a) Property transferred up to a value not exceeding one-half of the clear market value of the community is not subject to this part if the wife is the transferee.

(b) None of the property transferred is subject to this part if the husband is the transferee.

CHAPTER 507

An act making an appropriation to the University of California for air pollution research, to take effect immediately.

In effect
immediately

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The sum of one hundred four thousand four hundred dollars (\$104,400) is hereby appropriated out of the General Fund in the State Treasury to the University of California for air pollution research.

SEC. 2. Inasmuch as this act makes an appropriation for the usual current expenses of the State, it shall, under the provisions of Section 1 of Article IV of the Constitution, take effect immediately.

CHAPTER 508

An act to add Section 72305 to the Government Code, relating to closing municipal courts on Saturdays.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 72305 is added to the Government Code, to read:

72305. Municipal courts shall not be open for the transaction of business on Saturday, which is a holiday as respects the transaction of business in municipal courts and for the purposes of Section 12a of the Code of Civil Procedure; except that the provisions of Sections 72300 and 72301 of this code shall remain in full force and effect; and except, further, that the deliberations of a jury may continue on a Saturday, and the court shall remain open for any and all purposes in connection therewith, and the making of any and all necessary orders, entries, judgments and directions pertaining to any such jury trial; and a judge of the municipal court on Saturday may perform any judicial act which on any other day he might perform in his chamber.

CHAPTER 509

An act to amend Section 117d of the Code of Civil Procedure, relating to time limits for small claims hearings.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 117d of the Code of Civil Procedure is amended to read:

117d. The date for the appearance of the defendant as provided in the order endorsed on the affidavit shall not be more than 30 days nor less than 10 days from the date of said order if the defendant resides within the county in which the action is brought, or not more than 60 days nor less than 30 days if the defendant resides outside the county in which the action is brought. When the judge or clerk has fixed the date for the appearance of the defendant he shall inform the plaintiff of said date and at the same time order the plaintiff to appear on said date and to have with him his books, papers and witnesses necessary to prove his claim. If the order is not served upon the defendant at least five days prior to the appearance date if the defendant resides within the county in which the action is brought, or at least 15 days prior to the appearance date if the defendant resides outside the county in which the action is brought the plaintiff may apply to the judge or clerk or deputy clerk for a new order setting a new date for the appearance of the defendant which shall not be more than 30 days nor less than 10 days from the date of the issuance of the new order if the defendant resides within the county in which the action is brought, or not more than 60 days nor less than 30 days if the defendant resides outside the county in which the action is brought.

If a defendant is not personally served or did not sign the registered mail return receipt provided in Section 117c at least five days prior to the appearance date if the defendant resides within the county in which the action is brought, or at least 15 days prior to the appearance date if the defendant resides outside the county in which the action is brought, the court does not have jurisdiction to render judgment, unless the defendant personally appears in court on the appearance date and does not request a continuance; if the defendant was not served within the minimum time specified in this paragraph the court must, upon request of an appearing defendant, continue the date of hearing for not less than 10 days.

CHAPTER 510

An act to add Section 1459 to the Penal Code, relating to the form of undertakings of bail filed in inferior courts by admitted surety insurers.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1459 is added to the Penal Code, to read:

1459. Undertakings of bail filed in inferior courts by admitted surety insurers shall meet all other requirements of law and the obligation of the insurer shall be in the following form:

----- (stating the title and the location of
the court).

Defendant ----- (stating the name of the defendant) having been admitted to bail in the sum of ----- dollars (\$-----) (stating the amount of bail fixed) and ordered to appear in the above-entitled court on -----, 19--, (stating the date for appearance in court) on ----- (stating only the word "misdemeanor" or the word "felony") charge/s;

Now, the ----- (stating the name of admitted surety insurer and state of incorporation) hereby undertakes that the above-named defendant will appear in the above-named court on the date above set forth to answer the complaint filed against him/her and all duly authorized amendments thereof, in whatever court it may be prosecuted, and will at all times hold him/herself amenable to the orders and process of the court, and, if convicted, will appear for judgment and render him/herself in execution thereof; or, if he/she fails to perform either of these conditions, that the ----- (stating the name of admitted surety insurer and state of incorporation) will pay to the people of the State of California the sum of ----- (\$-----) (stating the amount of the undertaking of the admitted surety insurer).

If the forfeiture of this bond be ordered by the court, judgment may be summarily made and entered forthwith against the said ----- (stating the name of admitted surety insurer and state of incorporation) for the amount of its undertaking herein, as provided by Sections 1305 and 1306 of the California Penal Code.

----- (stating the name of admitted surety insurer and state of incorporation),
(Signature)

By-----

Attorney-in-fact
(Corporate seal)

(Jurat of notary public or
other officer authorized to
administer oaths.)

CHAPTER 511

An act to amend Section 631.3 of the Code of Civil Procedure, relating to refund of jury fees.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 631.3 of the Code of Civil Procedure is amended to read:

631.3. Notwithstanding any other provision of law, when a party to the litigation has deposited jury fees with the judge or clerk and the case is settled or a continuance is granted on motion of the party depositing said jury fees, none of said deposit shall be refunded if the court finds there has been in-

sufficient time to notify the jurors that the trial would not proceed at the time set. If said jury fees so deposited are not refunded for the reasons herein specified, said fees shall revert to the county and be deposited in the jury fund of the county.

CHAPTER 512

An act to amend Section 585 of the Code of Civil Procedure, relating to default judgments.

[Approved by Governor May 13, 1955. Filed with Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 585 of the Code of Civil Procedure is amended to read:

585. Judgment may be had, if the defendant fails to answer the complaint, as follows:

1. In an action arising upon contract for the recovery of money or damages only, if the defendant has, or if more than one defendant, if any of said defendants have, been personally served and no answer or demurrer has been filed with the clerk or judge of the court within the time specified in the summons, or such further time as may have been granted, the clerk, or the judge, if there be no clerk, upon application of the plaintiff, and proof of such service of summons, must enter the default of the defendant or defendants, so served, and immediately thereafter enter judgment for the principal amount demanded in the complaint or a lesser amount if credit has been acknowledged, together with interest allowed by law or in accordance with the terms of the contract, and the costs against said defendant, or defendants, or against one or more of said defendants. If, by rule of court, a schedule of attorney fees to be allowed has been adopted, the clerk may include in the judgment an attorney fee in accordance with such schedule if the contract provides that an attorney fee be allowed in the event of an action thereon; provided, that plaintiff shall have the right, upon filing a written request at the time of application for entry of the default of the defendant or defendants, to have the attorney fee fixed by the court, whereupon, after the entry of said default, the court shall hear the application for determination of the attorney fee and render judgment for the same and for the other relief demanded in the complaint, or a lesser amount if credit has been acknowledged, and the costs against said defendant, or defendants, or against one or more of said defendants.

Contract
actions:
Personal
service, etc

2. In other actions, if the defendant has been personally served and no answer or demurrer has been filed with the clerk or judge of the court within the time specified in the summons, or such further time as may have been granted, the clerk, in courts having a clerk, must enter the default of the defendant; and thereafter the plaintiff may apply to the court for the

Other
actions:
Personal
service, etc

relief demanded in the complaint; in courts which have no clerk the court must hear the evidence offered by the plaintiff, and must render judgment in his favor for such sum (not exceeding the amount stated in the complaint), as appears by such evidence to be just. If the taking of an account, or the proof of any fact, is necessary to enable the court to give judgment, or to carry the judgment into effect, the court may take the account or hear the proof, or may, in its discretion, order a reference for that purpose. And where the action is for the recovery of damages, in whole or in part, the court may order the damages to be assessed by a jury; or if, to determine the amount of damages, the examination of a long account is involved, by a reference as above provided.

Actions:
Service by
publication,
etc.

3. In all actions where the service of the summons was by publication the plaintiff, upon the expiration of the time for answering, may, upon proof of the publication, and that no answer or demurrer has been filed, apply for judgment; and the court must thereupon require proof to be made of the allegations of the complaint; and if the defendant is not a resident of the State, must require the plaintiff, or his agent, to be examined, on oath, respecting any payments that have been made to the plaintiff, or to anyone for his use, on account of any demand mentioned in the complaint, and may render judgment for the amount which he is entitled to recover; provided, that, in all cases affecting the title to or possession of real property, where the service of the summons was by publication and the defendant has failed to answer, no judgment shall be rendered upon proof of mere occupancy, unless such occupancy shall have continued for the time and shall have been of the character necessary to confer title by prescription, and in all cases where the plaintiff bases his claim upon a paper title, the court shall require evidence establishing plaintiff's equitable right to judgment before rendering such judgment; provided further, however, that in actions involving merely the possession of real property where the complaint is verified and shows by proper allegations that no party to the action claims title to the real property involved, either by prescription, accession, transfer, will or succession but only the possession thereof, the court may render judgment upon proof of occupancy by plaintiff and ouster by defendant.

CHAPTER 513

An act to amend Section 1033 of the Code of Civil Procedure, relating to memorandum of costs.

In effect
September
7, 1955

[Approved by Governor May 13, 1955 Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1033 of the Code of Civil Procedure is amended to read:

1033. In superior courts, municipal courts and in justice courts the party in whose favor the judgment is ordered, and who claims his costs, must serve upon the adverse party, and file at any time after the verdict or decision of the court, and not later than ten (10) days after the entry of the judgment, a memorandum of the items of his costs and necessary disbursements in the action or proceeding, which memorandum must be verified by the oath of the party, or his attorney or agent, or by the clerk of his attorney, stating that to the best of his knowledge and belief the items are correct, and that the disbursements have been necessarily incurred in the action or proceeding. A party dissatisfied with the costs claimed may, within five (5) days after the service of a copy of the bill of costs, file a motion to have the same taxed by the court in which the judgment was rendered, or by the judge thereof at chambers.

The clerk or judge must include in the judgment entered up by him, any interest on the verdict or decision of the court, from the time it was rendered or made, and the costs, if the same have been taxed or ascertained; and he must, within two days after the same are tried or ascertained, if not included in the judgment, insert the same in a blank left in the judgment for that purpose, and must make a similar insertion of the costs in the copies.

CHAPTER 514

An act to amend Section 1 of Chapter 12 of the 1950 Third Extraordinary Session, to repeal Section 2 of Chapter 291 of the Statutes of 1953, and to amend Section 48 of the Elections Code, relating to war voter provisions of the Elections Code.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1 of Chapter 12 of the 1950 Third Extraordinary Session is amended to read:

Section 1. The sections to the Elections Code added by this act shall remain in effect until repealed by the Legislature. While these sections are in effect they shall supersede any existing provisions of law which are in conflict with them, but such provisions are not repealed by them, and after these sections are no longer effective shall have the same force as though these sections had not been enacted.

SEC. 2. Section 2 of Chapter 291 of the Statutes of 1953 is repealed.

SEC. 3. Section 48 of the Elections Code is amended to read:

48. "War voter" refers to an elector who comes within one of the following categories:

(a) Member of the armed forces of the United States or any auxiliary branch thereof.

(b) Employed by the United States and serving outside the territorial limits of the United States.

(c) Employed by the American Red Cross and serving outside the territorial limits of the United States.

(d) Employed as an officer or member of the crew of a merchant vessel documented under the laws of the United States and serving outside the territorial limits of the United States.

(e) Members of religious groups or welfare agencies assisting members of the armed forces, who are officially attached to and serving with the armed forces.

(f) Spouses and dependents of the persons enumerated herein.

Subsections (e) and (f) of this section shall become operative only upon the enactment of federal legislation designating the persons mentioned in such subsections as war voters.

CHAPTER 515

An act to add Section 450.3 to the Fish and Game Code, relating to waste of game.

In effect
September
7, 1955

[Approved by Governor May 13, 1955 Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 450.3 is added to the Fish and Game Code, to read:

450.3. No person shall at any time capture or destroy any deer and detach or remove from the carcass only the head, hide, antlers, or horns, nor shall any person at any time, leave through carelessness, neglect any deer which is in his possession, or any portion of the flesh thereof usually eaten by humans, to needlessly go to waste.

Any person who violates this section is guilty of a misdemeanor punishable by a fine of not less than fifty dollars (\$50) nor more than five hundred dollars (\$500) or imprisonment in the county jail for not less than 30 days nor more than six months or both such fine and imprisonment.

CHAPTER 516

An act to amend Section 402b of the Penal Code, relating to refrigerators, iceboxes, and deep freeze lockers.

In effect
September
7, 1955

[Approved by Governor May 13, 1955 Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 402b of the Penal Code is amended to read:

402b. Any person who discards or abandons or leaves in any place accessible to children any refrigerator, icebox, or deep freeze locker, having a capacity of one and one-half cubic feet or more, which is no longer in use, and which has not had the door removed or the hinges and such portion of the latch mechanism removed to prevent latching or locking of the door, is guilty of a misdemeanor. Any owner, lessee, or manager who knowingly permits such a refrigerator, icebox, or deep freeze locker to remain on premises under his control without having the door removed or the hinges and such portion of the latch mechanism removed to prevent latching or locking of the door, is guilty of a misdemeanor. Guilt of a violation of this section shall not, in itself, render one guilty of manslaughter, battery or other crime against a person who may suffer death or injury from entrapment in such refrigerator, icebox, or deep freeze locker.

The provisions of this section shall not apply to any vendor or seller of refrigerators, iceboxes, or deep freeze lockers, who keeps or stores them for sale purposes, if the vendor or seller takes reasonable precautions to effectively secure the door of any such refrigerator, icebox, or deep freeze locker so as to prevent entrance by children small enough to fit therein.

CHAPTER 517

An act to amend Sections 7200, 7201, 7202, 7203, 7204, 7207, and 7209 of the Elections Code, relating to the disposition of election records.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7200 of the Elections Code is amended to read:

7200. The records and supplies of election when received by the county clerk as defined in Section 18 of this code shall be disposed of as set forth in this article. Manner of
disposition

SEC. 1.5. Section 7201 of said code is amended to read:

7201. The package containing the voted ballots shall be kept by the county clerk as defined in Section 18 of this code, unopened and unaltered, for six months subsequent to the date of the declaration of the result of the election by the body canvassing the returns thereof. Voted ballots

If a contest is not commenced within the six months' period, or if a criminal prosecution involving fraudulent use, marking or falsification of ballots or forgery of absent voters' signatures is not commenced within the six months' period, either of which may involve the vote of the precinct from which the package has been received, he shall destroy it, or have it destroyed, without being opened or its contents examined. This Destruction
of ballots

section also shall apply to absentee ballots and identification envelopes.

SEC. 2. Section 7202 of the Elections Code is amended to read:

Contest

7202. If a contest or any such criminal prosecution has been commenced prior to the date fixed for its destruction the package and its contents shall be subject to the order of the court in which the contest or criminal prosecution is pending and shall not be destroyed until after final determination of the contest or criminal prosecution.

Custody of
county clerk

In no event shall the package or its contents be taken from the custody of the county clerk.

SEC. 3. Section 7203 of the Elections Code is amended to read:

Destruction
after contest
or criminal
prosecution

7203. Every package of ballots which has been held over six months because of any contest or criminal prosecution shall be destroyed after final determination of the last determined contest or criminal prosecution which affects that package.

SEC. 4. Section 7204 of said code is amended to read:

Spoiled, etc.,
ballots

7204. The package containing the spoiled, canceled and unused ballots shall remain unopened in the custody of the county clerk as defined in Section 18 of this code, and shall be held and disposed of as are the voted ballots.

SEC. 5. Section 7207 of said code is amended to read:

Ballot
packages
inspection,
etc.

7207. The county clerk as defined in Section 18 of this code shall retain in his custody the package or packages described in Section 7104.

The tally lists shall be made available to the body charged with the canvass of the returns of the election. All voters may inspect the contents of the package or packages at all times following commencement of the official canvass of the votes. The package or packages shall be disposed of in the same manner as voted ballots.

SEC. 6. Section 7209 of said code is amended to read:

Return to
county clerk
by court

7209. Whenever any packages have been inspected and examined by any court in an election contest, and a record made of the evidence therein contained, they shall be restored to the exclusive control and custody of the county clerk as defined in Section 18 of this code who shall reseal the packages with the ballots contained therein, and keep them until he destroys them pursuant to this article.

CHAPTER 518

An act to provide for the sale of a parcel of land under the control of the State Park Commission.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. The State Park Commission is authorized to sell, subject to the approval of the Director of Finance, that

certain parcel of excess land in the State Park System described as "That portion of Lot 'M' of Tract No. 2356, as per map recorded in Book 28, pages 41 and 42, of Maps; in the Office of the County Recorder of the County of Los Angeles, lying northerly of the southwesterly prolongation of the northwesterly line of Forty-fifth Street, as said street is shown in a map of Tract No. 4103, recorded in Book 46, page 8 of Maps, in the Office of the County Recorder of said County of Los Angeles, containing 2.3 acres, more or less."

SEC. 2. The proceeds of the sale shall be deposited in the State Beach Fund. A copy of each deed of conveyance executed and delivered by the State Park Commission shall be delivered to the State Lands Commission.

CHAPTER 519

An act to amend Section 3105 of the Government Code, relating to places of filing oaths of allegiance.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3105 of the Government Code is amended to read:

3105. The oath or affirmation of any civil defense worker of the State shall be filed with the State Personnel Board within 30 days of the date on which it is taken and subscribed.

The oath or affirmation of any civil defense worker of any county shall be filed in the office of the county clerk of the county except that where election precinct officers take and subscribe to such oath or affirmation which is an integral part of a claim for compensation, such oath and claim for compensation may be filed in either the office of the county auditor or in the office of the clerk of the board of supervisors of the county.

The oath or affirmation of any civil defense worker of any city shall be filed in the office of the city clerk of the city.

The oath or affirmation of any civil defense worker of any other agency or district shall be filed with such officer or employee of the agency or district as may be designated by such agency or district.

CHAPTER 520

An act to amend Section 14103 of the Revenue and Taxation Code, and to add Section 13671.5 thereto, relating to inheritance taxation, including the taxability of joint tenancy and other jointly held property and the payment of inheritance taxes.

In effect
September
7, 1955

[Approved by Governor May 13, 1955 Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14103 of the Revenue and Taxation Code is amended to read:

Delinquent
dates

14103. Except in the case of an additional tax imposed by Section 13441 or 13442, every tax imposed by this part is delinquent at the expiration of two years from the date on which it becomes due and payable, if not paid within that time.

If not paid previously, an additional tax imposed by Section 13441 or 13442 is delinquent at the expiration of two years from the date on which it becomes due and payable or six months from the date on which the tax imposed by the federal estate tax law becomes final, whichever period terminates later.

SEC. 2. Section 13671.5 is added to said code, to read:

Joint
tenancy
Husband
and wife

13671.5. Where husband and wife hold property in joint tenancy, or deposit property in a bank or similar depository in their joint names subject to payment to either or the survivor, and such property had its source in community property of the marriage of the husband and wife, then upon the death of either of them, such property shall be treated for inheritance tax purposes as if it were community property of the husband and wife.

Where community property was converted by a husband and wife into their joint tenancy property and the tenancy thereafter maintained, such property was, under the Inheritance Tax Law (Revenue and Taxation Code Sections 13301-14901), treated as community property of the parties until August 25, 1952, when the State Controller revoked Rule 673(a), formerly adopted by him under the provisions of that law. The revocation of the rule was made effective with respect to decedents dying after April 26, 1950. It is the intent and purpose of Section 13671.5 to restate the law as it existed and was interpreted under the Inheritance Tax Law prior to the revocation of the rule.

CHAPTER 521

An act to add Sections 1765.2 and 1765.3 to the Insurance Code, relating to surplus line brokers.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1765.2 is added to the Insurance Code, to read:

1765.2. Such license may be issued to an individual, a corporation or a partnership. If issued to a corporation or a partnership, it shall name the natural persons who are to be responsible for the proper discharge of all duties placed upon such licensee acting as a surplus line broker or who transact insurance with the public as distinguished from insurance producers. Such natural persons shall meet all of the requirements for such license and if the licensee is a corporation, shall be an officer or employee thereof, or if a partnership, a partner or employee thereof.

SEC. 2. Section 1765.3 is added to the Insurance Code, to read:

1765.3. Any natural person applying for a license to act as a surplus line broker and any person who is to be named to exercise powers of a surplus line broker shall prove his competency by showing he holds or is named on an existing license to act as either a surplus line broker or an insurance broker or by passing the qualifying examination for an insurance broker's license.

CHAPTER 522

An act to add Section 559 to, and to repeal Sections 663 and 664 of, the Agricultural Code, relating to the sanitation of milk products plants.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 559 is added to the Agricultural Code, to read:

559. The provisions of subdivisions (a) and (b) of Section 551, subdivision (a) of Section 552, subdivision (a) of Section 553, and Sections 464.5, 554, 555, and 556 of this code shall not apply to the manufacture of a milk drink when such product is manufactured from milk drink mix hereinafter defined in a freezing device from which it is served directly in a semifrozen state for consumption on the premises in or from rooms where food is served to the public. All milk drink mix so used shall be pasteurized and shall be secured from a licensed manufacturer of milk products and the fluid milk and

cream therein shall be market milk, the mix shall contain not less than 12 percent total milk solids, not less than 4 percent butterfat, nor shall it contain more than one-half of 1 percent stabilizer and may contain sweetening, and harmless flavoring and coloring. Said product shall be delivered from the freezing device at not less than 27 degrees F. and shall contain not more than 75,000 bacteria per gram. All manufacturers of milk drink mix shall upon request of the department submit the names and specific location of all dealers or other persons who receive milk drink mix for the purpose of selling or otherwise dispensing it to the public.

Sec. 2. Sections 663 and 664 of said code are repealed.

CHAPTER 523

An act to amend Section 6733 of the Welfare and Institutions Code, relating to the discharge of patients from state hospitals.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 6733 of the Welfare and Institutions Code is amended to read:

6733. The medical superintendent of a state hospital, on filing his written certificate with the Director of Mental Hygiene, may on his own motion, and shall on the order of the Department of Mental Hygiene, discharge any patient who comes within any of the following descriptions:

- (a) Who is not insane.
- (b) Who is not a proper case for treatment therein.
- (c) Who is mentally deficient or is affected with chronic harmless mental illness.

Such person, when discharged, shall be returned to the county of his residence at the expense of such county, and delivered to the sheriff or other appropriate county official to be designated by the board of supervisors, for delivery to the official or agency in that county charged with the responsibility for such person. Should such person be a poor and indigent person, he shall be cared for by such county as are other indigent poor.

No person who has been discharged from any state hospital under the provisions of subdivision (c) above shall be again committed to any state hospital for the insane unless permission for such recommitment is first obtained from the medical superintendent thereof. Such medical superintendent shall refuse to receive such person on such recommitment unless such permission is obtained.

CHAPTER 524

An act to amend Section 5007 of the Education Code, relating to investment of school district funds.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5007 of the Education Code is amended to read:

5007. The governing board of any school district which now has, or hereafter shall have, funds in a special reserve fund of the district or any surplus moneys not required for the immediate necessities of the district, is hereby authorized to invest all or any part of such funds in bonds, notes, bills or certificates issued by the United States of America. Any bonds, notes, bills or certificates so purchased may be sold and the proceeds reinvested in similar bonds, notes, bills or certificates of the United States of America or placed in the county treasury for credit to the fund of the district from which purchased. This section shall not be construed as in any way limiting or modifying the application of any other law providing for or authorizing the investment of any funds of a school district. Notwithstanding any other provision of law, interest earned on funds representing the proceeds of bonds of the district shall be deposited and retained in the interest and sinking fund of the district to meet the principal and interest falling due on such bonds.

CHAPTER 525

An act to amend Section 175 of the Civil Code, relating to the earnings of a husband abandoned by his wife.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 175 of the Civil Code is amended to read:

175. A husband abandoned by his wife is not liable for her support until she offers to return, unless she was justified by his misconduct, in abandoning him, and the earnings of the husband during the period of unjustified abandonment, prior to such offer, are his separate property; nor is a husband liable for his wife's support when she is living separate from him, by agreement, unless such support is stipulated in the agreement.

CHAPTER 526

An act to add Section 821.85 to the Agricultural Code, relating to apples, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 821.85 is added to the Agricultural Code, to read:

821.85. Nothing in this chapter shall be construed to prohibit any person, under a permit issued in accordance with the provisions of this section, from transporting out of the State, apples which fail to comply with the packing, container, marking or quality requirements of this chapter; providing, such permit is issued for and is attached to each load or lot transported and the apples are (1) loose in containers which are not closed or (2) in a bulk load. The permit may be issued by the commissioner of the county from which such apples are to be transported and only if such officer has verification by an official of the destination state, satisfactory to the commissioner, that the apples are to be delivered to a purchaser in said state for the manufacture of by-products on the premises of the purchaser, which verification shall include a statement by the official making it that, if the apples are so delivered, said official will report to the commissioner who issued the permit as to the by-products use to which the apples transported under the permit were actually put by the purchaser thereof.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to assure that there will not be undue waste and loss of apples during the 1955 season and to protect consumers from substandard apples during the 1955 season it is necessary for this act to take effect immediately.

CHAPTER 527

An act to add Section 77 to the Code of Civil Procedure, to repeal Section 77b of said code, and to repeal Section 69540 of the Government Code, all relating to appellate departments of the superior courts.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 77 is added to the Code of Civil Procedure, to read:

77. (a) There is an appellate department of the superior court in every county and city and county which has one or more municipal courts. Appellate department of superior court

(b) When such county has not more than two judges of its superior court, the senior or sole judge of such court shall convene the same as necessary to hear cases on appeal as provided in subdivision (d) of this section; and when so convened the court is the "Appellate Department of the Superior Court" in such county. The senior or sole judge so convening the court shall render the decision in every case in, and transact any other business of, such department.

(c) When such county or city and county has three or more judges of its superior court, the "Appellate Department of the Superior Court" in such county shall consist: Judges

(i) Of three judges; or

(ii) When there are 50 or more judges of municipal courts in the county or city and county and the Chairman of the Judicial Council finds it necessary, of four judges of such superior court, each of whom shall be designated by the Chairman of the Judicial Council. In addition to their other duties, the judges so designated shall serve for the period specified in the order of designation. The Chairman of the Judicial Council shall also designate one of such judges as the presiding judge of such department. No more than three of the judges so designated shall participate in the hearing or decision of any case in such department. Where there are four judges of such department, the presiding judge shall designate the three judges who shall so participate. The concurrence of two judges of such department shall be necessary to render the decision in every case in, and to transact any other business except such as may be done at chambers by the presiding judge of, such department. The presiding judge shall convene such department at such times as may be necessary. He shall also supervise its business and transact such thereof as may be done at chambers.

(d) Every appellate department under this section shall have jurisdiction on appeal from the municipal and justice courts within the county or city and county in all cases in which an appeal may be taken to the superior court as is now or may hereafter be provided by law, except such appeals as require a retrial in the superior court. The powers of each appellate department shall be the same as are now or may hereafter be provided by law or rule of the Judicial Council relating to appeals to the superior courts. Jurisdiction

(e) The Judicial Council may promulgate rules, not inconsistent with law, governing the practice and procedure and the disposition of the business of such appellate departments, or of each class thereof as provided in subdivisions (b) and (c) of this section, respectively. Judicial council rules

SEC. 2. Section 77b of the Code of Civil Procedure is repealed. Repeal

SEC. 3. Section 69540 of the Government Code is repealed. Repeal

CHAPTER 528

An act to add Section 465.1 to the Vehicle Code, relating to the erection of traffic control devices on private roads or driveways.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 465.1 is added to the Vehicle Code, to read:

465.1. Erection of Traffic Control Device on Private Road or Driveway. Local authorities in their respective jurisdictions may, within the reasonable exercise of their police power and subject to the provisions of Section 466, place and maintain or cause to be placed and maintained official traffic control devices to regulate traffic at the intersection of a highway and a private road or driveway. Such traffic control devices may be erected at or near such intersection, except no such device shall be erected upon a private road or driveway without consent of the owner thereof. When such official traffic control devices are installed and in operation, such private road or driveway shall be deemed a highway only for the purpose of determining the existence and location of an intersection.

CHAPTER 529

An act to add Section 6412 to the Financial Code, relating to gifts and premiums by savings and loan associations.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6412 is added to the Financial Code, to read:

6412. No gift or premium shall be given by an association as an inducement to investment in its shares or investment certificates where the cost of such gift or premium is in excess of three dollars and fifty cents (\$3.50).

CHAPTER 530

An act to amend Section 1940 of the Labor Code, relating to the employment in public schools or in schools supported in whole or in part by the State of persons who have declared their intentions to become citizens.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1940 of the Labor Code is amended to read:

1940. As used in this article:

(a) "Citizen" means a native-born or naturalized citizen of the United States.

(b) "Person who has declared his intention to become a citizen" does not include a person who fails to secure his certificate of naturalization within one year after the time he is entitled to secure such certificate.

CHAPTER 531

An act to amend Section 20459 of the Education Code, relating to the state colleges.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 20459 of the Education Code is amended to read:

20459. The State Board of Education in standardizing the courses of instruction offered in the several state colleges shall prescribe a course in physical education. The completion of the course shall be a requirement for graduation unless an exemption shall have been granted as herein provided. The president of each state college may grant temporary exemption to students who are ill or injured where a modified program to meet the needs of the students cannot be provided, and to students while enrolled for one-half, or less, of the work normally required of full-time students. Permanent exemption may be granted a student who has reached his twenty-fifth birthday.

CHAPTER 532

An act to add Section 214.7 to the Revenue and Taxation Code, relating to the welfare exemption.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 214.7 is added to the Revenue and Taxation Code, to read:

214.7. In the case of a hospital, neither the use of hospital property nor the receipt of fees or other lawful compensation by a licensed physician for the practice of his profession therein, shall be grounds for denial of the exemption provided by Sections 214 and 254.5. This section does not apply to such portions of a hospital as may be leased or rented to a physician for his office for the general practice of medicine.

SEC. 2. In view of the fact that this act will not become law until after the first Monday in March, 1955, it is hereby declared to be the express intention of the Legislature that it shall be operative as of January 1, 1955, and as to all taxes levied or to be levied on or after that date.

SEC. 3. If any section, subsection, sentence, clause or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act. The Legislature hereby declares that it would have passed this act and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more of the sections, subsections, sentences, clauses or phrases be declared unconstitutional.

CHAPTER 533

An act to amend Section 1213 of the Penal Code, relating to commitments.

In effect
September
7, 1955

[Approved by Governor May 13, 1955 Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1213 of the Penal Code is amended to read:

1213. When a probationary order or a judgment, other than of death, has been pronounced, a copy of the entry of that portion of the probationary order ordering the defendant confined in a city or county jail as a condition of probation, or a copy of the entry of the judgment, or, if the judgment is for imprisonment in a state prison, an abstract thereof as provided in Section 1213.5, certified by the clerk of the court, or by the judge if there is no clerk, must be forthwith furnished to the officer whose duty it is to execute the probationary order or judgment, and no other warrant or authority is necessary to justify or require its execution.

CHAPTER 534

An act to amend Section 559 of the Code of Civil Procedure, relating to attachment.

In effect
September
7, 1955

[Approved by Governor May 13, 1955 Filed with
Secretary of State May 13, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 559 of the Code of Civil Procedure is amended to read:

559. The sheriff, constable, or marshal must return the writ of attachment with the summons, if issued at the same time; otherwise, within 20 days after its receipt, with a certificate

of his proceedings endorsed thereon or attached thereto, together with the undertaking given under the provisions of Section 540 of this code to prevent or release the levy of the attachment, to the clerk of the court from which said writ of attachment was issued, and whenever an order has been made discharging or releasing an attachment upon real property, a certified copy of such order may be recorded in the offices of the county recorders in which the notices of attachment have been recorded, and be indexed in like manner.

CHAPTER 535

An act to validate the acts and proceedings of governing boards of school districts in calling, holding and conducting elections within school districts to authorize the governing boards thereof to borrow and expend apportionments from the State of California under and subject to the provisions of Chapter 19 of Division 3 of the Education Code, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. All acts and proceedings heretofore taken by or on behalf of the governing board of any school district to satisfy the requirements of the Education Code of the State of California in calling, holding and conducting an election to authorize the governing board to borrow and expend an apportionment from the State of California under and subject to the provisions of Chapter 19 of Division 3 of the Education Code are hereby confirmed, validated and declared legally effective. This shall include all acts and proceedings of the governing board of school districts and of any employee of said districts or other person heretofore done or taken in connection with such election. Any such election which carries by the required vote is declared to have been legally called, held and conducted.

This act shall operate to supply such legislative authorization as may be necessary to validate any such acts and proceedings heretofore taken which the Legislature could have supplied or provided for in the law under which such acts or proceedings were taken.

This act shall not operate to confirm, validate, or legalize any act, proceeding, or other matter the legality of which is being contested or inquired into in any legal proceedings now pending and undetermined nor shall this act operate to confirm, validate or legalize any act, proceeding or other matter which has heretofore been determined in any legal proceeding, to be illegal, void or ineffective.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order that the construction of schools, as provided in Chapter 19, Division 3 of the Education Code, may be continued without delay or restriction to meet the due needs of the children of this State for adequate and safe classrooms, it is essential that this act take effect immediately.

CHAPTER 536

An act to add Section 3065 to the Harbors and Navigation Code, relating to the Board of State Harbor Commissioners for San Francisco Harbor.

In effect
September
7, 1955

[Approved by Governor May 13, 1955. Filed with
Secretary of State May 13, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 3065 is added to the Harbors and Navigation Code, to read:

3065. The right of any person to occupy any property under the jurisdiction of the board, where said right arises from a license or permit of the board, is exempt from taxation.

CHAPTER 537

An act to add Chapter 5b, comprising Sections 853.1 to 853.4 to Title 3, Part 2 of the Penal Code, relating to proceedings in violation of county ordinances.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 5b, comprising Sections 853.1 to 853.4, inclusive, is added to Title 3, Part 2 of the Penal Code, to read:

CHAPTER 5b. CITATIONS FOR VIOLATIONS OF COUNTY ORDINANCES

Notice to
appear
Contents

853.1. (a) A county may enact in its ordinances, violations of which are punishable as misdemeanors, clauses which provide that if any person is arrested for a violation of the ordinance, and such person is not immediately taken before a magistrate as is more fully set forth in this code, the arresting officer shall prepare in duplicate a written notice to appear in court, containing the name and address of such person, the offense charged, and the time and place where and when such person shall appear in court.

(b) The time specified in the notice to appear must be at Time least five (5) days after such arrest.

(c) The place specified in the notice to appear shall be Place either:

1. Before a judge of a justice court or a municipal court judge within the county in which the offense charged is alleged to have been committed and who has jurisdiction of the offense and who is nearest and most accessible with reference to the place where the arrest is made; or

2. Upon demand of the person arrested, before a judge of a justice court or a municipal court judge having jurisdiction of such offense at the county seat of the county in which such offense is alleged to have been committed; or before a judge in the judicial district in which the offense is alleged to have been committed.

3. Before an officer authorized by the county, or city and county, to receive a deposit of bail.

(d) The officer shall deliver one copy of the notice to appear to the arrested person and the arrested person in order to secure release must give his written promise so to appear in court by signing the duplicate notice which shall be retained by the officer. Thereupon the arresting officer shall forthwith release the person arrested from custody. Defendant's promise to appear

(e) The officer shall, as soon as practicable, file the duplicate notice with the magistrate specified therein. Thereupon the magistrate shall fix the amount of bail which in his judgment, in accordance with the provisions of Section 1275 of the Penal Code, will be reasonable and sufficient for the appearance of the defendant and shall indorse upon the notice a statement signed by him in the form set forth in Section 815a of this code. The defendant may, prior to the date upon which he promised to appear in court, deposit with the magistrate the amount of bail thus set. Thereafter, at the time when the case is called for arraignment before the magistrate, if the defendant shall not appear, either in person or by counsel, the magistrate may declare the bail forfeited, and may in his discretion order that no further proceedings shall be had in such case. Bail

Upon the making of such order that no further proceedings be had, all sums deposited as bail shall forthwith be paid into the county treasury.

(f) No warrant shall issue on such charge for the arrest of a person who has given such written promise to appear in court, unless and until he has violated such promise or has failed to deposit bail, to appear for arraignment, trial or judgment, or to comply with the terms and provisions of the judgment, as required by law. Variants

853.2. A county may provide in its ordinances that any person wilfully violating his written promise to appear in court is guilty of a misdemeanor regardless of the disposition of the charge upon which he was originally arrested. Failure to appear

Same

853.3. A county may further provide in its ordinance that when a person signs a written promise to appear at the time and place specified in the written promise to appear and has not posted bail as provided in Section 853.1, the magistrate shall issue and have delivered for execution a warrant for his arrest within twenty (20) days after his failure to appear as promised, or if such person promises to appear before an officer authorized to accept bail other than a magistrate and fails to do so on or before the date which he promised to appear, then, within twenty (20) days after the delivery of such written promise to appear by the officer to a magistrate having jurisdiction over the offense.

When such person violates his promise to appear before an officer authorized to receive bail other than a magistrate, the officer shall immediately deliver to the magistrate having jurisdiction over the offense charged the written promise to appear and the complaint, if any, filed by the arresting officer.

Enactment
of provisions
as ordinance

853.4. A county may enact the foregoing as a separate and distinct ordinance which shall apply to all or one or more ordinances of the county, violations of which are punishable as misdemeanors, as designated.

CHAPTER 538

An act to amend Sections 74692 and 74693 of the Government Code, relating to municipal courts established in districts in Santa Cruz County.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 74692 of the Government Code is amended to read:

74692. There shall be one clerk who shall receive a minimum salary of two hundred forty-five dollars (\$245) monthly with annual increments of twelve dollars (\$12), twelve dollars (\$12), twelve dollars (\$12), twelve dollars (\$12), and seven dollars (\$7) to a maximum of three hundred dollars (\$300) monthly.

SEC. 2. Section 74693 of said code is amended to read:

74693. The clerk may appoint:

(a) One chief deputy clerk (principal clerk) who shall receive a minimum salary of two hundred thirty-five dollars (\$235) monthly, with annual increments of twelve dollars (\$12), twelve dollars (\$12), eleven dollars (\$11), eleven dollars (\$11), and eleven dollars (\$11) to a maximum of two hundred ninety-two dollars (\$292) monthly.

(b) Two deputy clerks (senior account clerks), each of whom shall receive a minimum salary of two hundred fifteen dollars (\$215) monthly with annual increments of eleven dol-

lars (\$11), eleven dollars (\$11), ten dollars (\$10), ten dollars (\$10), and ten dollars (\$10) to a maximum of two hundred sixty-seven dollars (\$267) monthly.

(c) Six intermediate clerks, each of whom shall receive a minimum salary of one hundred eighty-five dollars (\$185) monthly with annual increments of nine dollars (\$9), nine dollars (\$9), nine dollars (\$9), and nine dollars (\$9) to a maximum of two hundred thirty dollars (\$230) monthly.

CHAPTER 539

An act to add Section 12307.2 to the Financial Code, relating to check sellers and cashers.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12307.2 is added to the Financial Code, to read:

12307.2. If the commissioner finds as a result of an examination or report that a licensee is insolvent or conducting business in such an unsafe or injurious manner as to render its further operations hazardous to the public, he may forthwith by an order addressed to and served on the licensee by registered mail and on any other person having funds of the licensee or its customers in his possession, direct discontinuance of the disbursement of such funds and the further conduct of business by the licensee. The order shall be conditioned to remain in effect unless the commissioner fails to hold a hearing within 15 days after receipt of a written request by the licensee, until set aside by the commissioner in whole or in part, until the licensee has been adjudged bankrupt, or pursuant to a petition filed by the commissioner or other interested person a receiver has been appointed by a court of competent jurisdiction.

CHAPTER 540

An act to amend Section 23010 of the Government Code, relating to loans by counties.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 23010 of the Government Code is amended to read:

23010. Pursuant to a resolution adopted by its board of supervisors, a county may lend any of its available funds to any county waterworks district, mosquito abatement district,

pest abatement district, fire protection district, park, recreation and parkway district or recreation, park and parkway district located wholly within the county, if its funds are or when available will be in the custody of the county or any officer of the county, in order to enable the district to perform its functions and meet its obligations. The loan shall not exceed 85 percent of the district's anticipated revenue for the fiscal year in which it is made or for the next ensuing fiscal year, and shall be repaid out of such revenue prior to the payment of any other obligation of the district.

CHAPTER 541

An act to amend Section 160.5 of the Agricultural Code, relating to the adoption of regulations governing the conduct of the business of pest control.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 160.5 of the Agricultural Code is amended to read:

160.5. The director shall make rules and regulations governing the conduct of the business of pest control. The commissioner of any county may adopt additional rules and regulations governing the application of methods of pest control under local conditions. Prior to the adoption, amendment, or repeal of such rules or regulations, the commissioner shall publish a notice of intention to adopt regulations at least 10 days in advance of the time the regulations are to be adopted, amended, or repealed. The notice shall be published in a newspaper of general circulation in the county and shall contain a statement of the time, place, and nature of proceedings for the adoption, amendment, or repeal of such regulations, and either the express terms or an informative summary of the proposed regulations. At least 10 days prior to the date set for the adoption, amendment, or repeal, the commissioner shall mail a copy of the notice to every person who has registered with the commissioner in the manner required by Section 160.3 of this code, and to any other interested person who may file with the commissioner a request to receive a notice or notices of like proceedings. On the date and at the time and place designated in the notice, the commissioner shall afford any interested person or his duly authorized representative, or both, the opportunity to present statements, arguments, or contentions in writing, with or without opportunity to present the same orally. The commissioner shall consider all relevant matter presented to him before adopting, amending, or repealing any regulation. In any hearing conducted under this section, the commissioner or his duly authorized representative shall have

authority to administer oaths or affirmations, and may continue or postpone such hearing from time to time to such time and at such place as he shall determine. Such rules and regulations of the commissioner shall be subject to review and approval by the director as to reasonableness, and when approved shall be filed with the director and become effective 30 days after such approval unless designated as emergency regulations. If, in the opinion of the commissioner, the public health, welfare, or safety requires that such rule or regulation take effect immediately he shall designate it as an emergency rule or regulation and specify in writing the facts constituting such necessity. Such emergency rules or regulations shall become effective on the date of approval by the director.

CHAPTER 542

An act to amend Sections 27361 and 27361.5 of, to add Section 27361.6 to, and to repeal Sections 27362 and 27363 of, the Government Code, relating to the recordation of instruments.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 27361 of the Government Code is amended to read:

27361. The fee for recording and indexing every instrument, paper, or notice required or permitted by law to be recorded is as follows: one dollar (\$1) fee for filing every instrument, paper or notice for record and making the necessary entries thereon; plus one dollar (\$1) for recording the first page and eighty cents (\$0.80) for each additional page or fraction of a page. If the printing on printed forms is less than 8 point type, the fee shall be double that set forth herein.

SEC. 2. Section 27361.5 of said code is amended to read:

27361.5. As used in Section 27361 a page shall be one side of a single sheet of paper not exceeding eight and one-half inches (8½") by fourteen inches (14"), and any riders attached to any page of a document presented for recording shall be collectively appraised with the balance of the document in determining the page hereinabove set forth.

SEC. 3. Section 27361.6 is added to said code, to read:

27361.6. On all printed forms primarily intended to be used for recordation purposes there should be reserved for the exclusive use by the county recorder a blank space at least three inches square. All instruments, papers or notices presented for recordation should be on a quality of paper that will reproduce legibly by photographic or microphotographic processes.

SEC. 4. Sections 27362 and 27363 are hereby repealed.

SEC. 5. Sections 1, 2 and 4 of this act shall become operative January 1, 1956.

CHAPTER 543

An act to amend Section 561.1 of, and to add Sections 561.2 and 561.3 to, the Fish and Game Code, relating to permits to deal in fresh-water fish for bait.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 561.1 of the Fish and Game Code is amended to read:

561.1. Any person engaged for profit in the capture, transport, or sale of live fresh-water fish for bait shall first obtain from the department a permit to possess bait fishes for said purposes. The commission may prescribe the terms of such permits, which may be revoked for violation of the terms thereof. Said permits shall be issued for a calendar year, or, if issued after the beginning of such term, for the remainder thereof.

Said permit shall not be required for the raising, possession, or sale of live fresh-water fish for bait under authority of a domestic fish breeder's license.

The provisions of Division 4, Part 2, Chapter 5, Articles 1 and 2, and Sections 1091 to 1108, inclusive, of this Code shall not apply to the capture, transport, or sale of live fresh-water fish for bait.

SEC. 2. Section 561.2 is added to said code, to read:

561.2. The annual permit fee for the capture, transport, or sale of live fresh-water fish for bait shall be ten dollars (\$10) for each person, and shall be paid to the department or to someone designated by it for that purpose.

SEC. 3. Section 561.3 is added to said code, to read:

561.3. A permit issued under Section 561.1 shall authorize the taking of only golden shiners, fathead minnows and such other species as the department may designate, under such rules and regulations as the commission is hereby authorized to prescribe. The commission may prohibit in any part or all parts of the State the possession alive of any species of fish which it considers a potential threat to the fisheries of the State by reason of possible escape and establishment.

CHAPTER 544

An act to amend Sections 73872, 73873, and 73874 of the Government Code, relating to the officers and attaches of the municipal court established in a district embracing the City of North Sacramento.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 73872 of the Government Code is amended to read:

73872. There shall be one clerk who shall be secretary of the court, who shall receive a salary of five hundred dollars (\$500) a month.

SEC. 2. Section 73873 of said code is amended to read:

73873. The clerk may appoint:

(a) One deputy clerk, who shall receive a salary of three hundred fifty-one dollars (\$351) a month, with annual increments of seventeen dollars (\$17) to a maximum of three hundred eighty-five dollars (\$385) a month.

(b) Three deputy clerks, who shall receive a salary of three hundred thirty-five dollars (\$335) a month, with annual increments of sixteen dollars fifty cents (\$16.50) to a maximum of three hundred sixty-eight dollars (\$368) a month.

(c) Two deputy clerks, who shall receive a salary of two hundred ninety-two dollars (\$292) a month, with annual increments of fourteen dollars (\$14) to a maximum of three hundred twenty dollars (\$320) a month.

(d) Additional clerks as required not to exceed four in number who shall receive a salary of two hundred sixty-seven dollars (\$267) a month, with annual increments of twelve dollars fifty cents (\$12.50) to a maximum of two hundred ninety-two dollars (\$292) a month.

SEC. 3. Section 73874 of said code is amended to read:

73874. There shall be one marshal who shall receive a salary of four hundred twenty-five dollars (\$425) a month. The marshal may appoint one assistant marshal who shall receive a salary of three hundred thirty-five dollars (\$335) a month.

CHAPTER 545

An act to amend Section 1829 of the Education Code, relating to the posting of the results of school district elections.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1829 of the Education Code is amended to read:

1829. The officers of election shall fill in the blanks provided on the envelopes and enclose and seal in the envelopes the roster of voters and tally list and ballots cast at the election. The officers of the election, before adjourning, shall post conspicuously on the outside of the polling place, a copy of the result of the votes cast at the polling place. The inspector of the election shall take possession of the returns and deliver them to the clerk of the school district who shall receipt him for the returns. Sometime between the fourth and seventh day after the election on the day and at the hour fixed in the notice of the election the governing board of the district shall meet and canvass the returns and issue certificates of election to

the person or persons elected and file duplicates of the certificates with the county superintendent of schools having jurisdiction over the district.

Immediately following its canvass of the returns, the governing board of the district shall forward the returns to the county superintendent of schools having jurisdiction over the district, who shall keep the returns on file for one year.

CHAPTER 546

An act to amend Section 9765 of the Government Code, relating to the preparation and printing of statutes.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 9765 of the Government Code is amended to read:

9765 Preparation of the statutes shall include the making of an index, marginal notations, and statutory record, and the delivery thereof to the State Printing Office as soon as practicable after final adjournment of the Legislature. The date of approval or adoption of each act and its effective date shall be prefixed to its text. The cost of preparation shall be paid from the same source as the cost of printing and publishing the statutes is paid.

CHAPTER 547

An act to amend Sections 7150 and 7154 of the Financial Code, relating to loans by savings and loan associations.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7150 of the Financial Code is amended to read:

Amortized
loans

Installments

7150. An amortized loan is a loan which provides for payments to be made on the principal in installments at regular intervals at least semiannually commencing not later than one year after the date of the loan. The installments may include interest and either as to principal alone or as to combined principal and interest shall be at least of a sufficient amount so that the smallest installment provided in the note evidencing the loan, other than the last installment, if continued at such regular intervals would result in paying the entire principal in not more than 20 years from the due date of the first installment or, in the case of loans pursuant to Article 3 of this chapter, within the maximum term applicable to such

loan pursuant to the provisions of the National Housing Act or any act of Congress supplementary or amendatory thereof or of the Servicemen's Readjustment Act of 1944 or any act of Congress supplementary or amendatory thereof or of the Veterans' Readjustment Assistance Act of 1952 or any act of Congress supplementary or amendatory thereof, which maximum term shall not exceed 25 years in the case of a loan guaranteed by the Administrator of Veterans' Affairs unless at least 30 percent of such loan is so guaranteed.

SEC. 2. Section 7154 of said code is amended to read:

7154. An association may make amortized loans upon the security of improved real property in an amount not in excess of 80 percent of the appraised value of such real property if the appraised value does not exceed fifteen thousand dollars (\$15,000), or not in excess of 80 percent of the first fifteen thousand dollars (\$15,000) of such appraised value if it exceeds fifteen thousand dollars (\$15,000) plus 70 percent of the remainder of such appraised value if the following conditions are met:

(a) The principal improvement on such real property consists of a single family dwelling.

(b) The note or other obligation evidencing such loan provides for reduction of principal by monthly installments commencing in the case of construction loans not later than nine months after the date of such loan, and in case of any other loan not later than three months after the date of such loan

CHAPTER 548

An act to amend Section 15854 of the Government Code, relating to the acquisition of property by the State Public Works Board.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 15854 of the Government Code is amended to read:

15854. Property shall be acquired pursuant to this part by condemnation in the manner provided in Title 7 of Part 3 of the Code of Civil Procedure, and all money paid from any appropriation made pursuant to this part shall be expended only in accordance with a judgment in condemnation. This requirement shall not apply to any of the following:

(a) Any acquisitions from the Federal Government or its agencies.

(b) Any acquisitions from the University of California or other state agencies.

(c) The acquisitions of parcels of property, or lesser estates or interests therein, for less than five thousand dollars

(\$5,000), unless part of an area made up of more than one parcel which in total would cost more than five thousand dollars (\$5,000) which the board by resolution exempts from this requirement.

(d) Any acquisition as to which the owner and the State have agreed to the price and the State Public Works Board by unanimous vote determines that such price is fair and reasonable and acquisition by condemnation is not necessary.

CHAPTER 549

An act creating the Montalvo Municipal Improvement District, providing for the merger therewith of the Montalvo Sanitary District and prescribing its boundaries, change of boundaries, organization, operation, management, financing and powers.

In effect
September
7, 1955

[Approved by Governor May 16, 1955 Filed with
Secretary of State May 16, 1955]

The people of the State of California do enact as follows:

Article 1. General Provisions

Montalvo
Municipal
Improvement
District

Short title

Severability

SECTION 1. The Montalvo Municipal Improvement District is hereby created to consist of the territory in the County of Ventura now contained within the Montalvo Sanitary District

SEC. 2. This act shall be known and may be cited as Montalvo Municipal Improvement District Act.

SEC. 3. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of this act, or the application of such provision to other persons or circumstances, shall not be affected thereby.

Article 2. Definitions

Construction

"District"

"Board"

"Sanitary
district"

"Charges"

"County"

"Board of
supervisors"

"President,"
"secretary"

Definitions

SEC. 10. The terms defined in this article have the meanings set forth unless the context requires a different meaning.

SEC. 11. "District" means this district.

SEC. 12. "Board" means the board of directors of the district.

SEC. 13. "Sanitary district" refers to the Montalvo Sanitary District, and "sanitary board" refers to its governing body.

SEC. 14. "Charges" includes fees, tolls, rates and rentals.

SEC. 15. "County" means the County of Ventura.

SEC. 16. "Board of supervisors" means the Board of Supervisors of the County of Ventura.

SEC. 17. "President" and "secretary" means the president and secretary, respectively, of the district.

SEC. 18. In the application to the district of laws, the procedure of which is made applicable to proceedings of the district, terms used in those laws shall have the following meanings:

(a) "City council," "council," and "legislative body" mean board.

(b) "City," "municipality," and "local agency" mean district.

(c) "Clerk" and "city clerk" mean the secretary of the district.

(d) "Superintendent of streets," "street superintendent," and "city engineer" mean the engineer of the district or any other person appointed to perform such duties, to be called district engineer.

(e) "Tax collector" means the Tax Collector of the County of Ventura.

(f) "Treasurer" and "city treasurer" mean the County Treasurer of the County of Ventura.

(g) "Auditor" and "city auditor" mean the County Auditor of the County of Ventura.

(h) "Budget Law" means Chapter 1, Division 3, Title 3 of the Government Code.

Article 3. General Administrative Provisions

SEC. 25. The board is the governing power of the district and shall consist of five (5) members. The officers of the district are the five members of the board, a president, a secretary, and a finance officer. Governing board

SEC. 26. The first district board shall be the members of the sanitary board. The term of office of each member shall remain the same as his present term of office. Elections of subsequent officers shall be at the time and conducted in the manner provided for elections of members of the sanitary board under Part 1 of Division 6 of the Health and Safety Code. First board

SEC. 27. The president and secretary of the sanitary district are the president and secretary of the board. Both shall serve at the pleasure of the board. President, secretary

SEC. 28. All contracts, deeds, warrants, releases, receipts and documents shall be signed in the name of the district by the president and countersigned by the secretary. Signing of documents

SEC. 29. Each board member shall receive fifteen dollars (\$15) for each day of his actual attendance of the meetings of the board. No member shall, however, receive more than thirty dollars (\$30) in any calendar month. Compensation

SEC. 30. If allowed by the board a director shall also receive for performing duties for the district other than attending board meetings: Additional compensation

(a) Not to exceed twenty dollars (\$20) for each day.

(b) Traveling and other expenses incurred by him in his employment.

SEC. 31. The finance officer shall serve at the pleasure of the board. He and the secretary shall receive such compensation as the board shall determine. Finance officer

Ex officio
officers

SEC. 32. The County Treasurer, County Auditor, and County Tax Collector of the County of Ventura are ex officio officers of the district.

Conduct of
elections

SEC. 33. All district elections other than bond elections shall be conducted in accordance with the general law applicable to sanitary districts.

Liability of
officers

SEC. 34. All county officers shall be liable upon their several official bonds for the faithful discharge of the duties imposed upon them by this act.

Article 4. Powers

District
consoli-
dation

SEC. 40. The sanitary district is hereby consolidated and merged with the district, and all the obligations of said district are the obligations of the district.

Seal

SEC. 41. The district may use a seal, alterable at the pleasure of the board.

Legal
actions

SEC. 42. The district may sue and be sued by its name.

Acquisition,
etc., of
facilities

SEC. 43. The district may acquire, construct, reconstruct, alter, enlarge, lay, renew, replace, maintain, and operate street and highway lighting facilities and facilities for the collection, treatment and disposal of sewage, industrial wastes, storm waters, garbage and refuse; and the production, storage, treatment and distribution of water for public and private purposes.

Acquisition,
etc., of
property

SEC. 44. The district may take, acquire, hold, use and dispose of property of every kind within or without the district necessary, expedient or advantageous to the full exercise and economic enjoyment of its purposes and powers.

Eminent
domain

SEC. 45. The district has and may exercise the right of eminent domain in the manner provided by law for the condemnation of private property for public use by the State, any political subdivision or district thereof. The provisions of Title 7, Part 3 of the Code of Civil Procedure shall apply. The board has the same rights and powers with respect to the taking of property for the public uses of the district as are now or may hereafter be conferred by general law on the legislative body of a city.

Contracts

SEC. 46. The district may make and accept contracts, deeds, releases and documents that, in the judgment of the board, are necessary or proper in the exercise of any of the powers of the district.

Cooperation
and con-
tracts with
State, United
States, etc.

SEC. 47. The district may cooperate and contract with the Federal Government of the United States and with the State of California, or with any county, municipal corporation, district, or other public corporation therein, or with any person, firm or corporation, for the joint acquisition, construction, or use or aid in the construction of any facilities which the district has the power to acquire or construct under this act.

Existing
contracts

SEC. 48. All existing contracts of the sanitary district are the contracts of the district and all assets of the sanitary district are hereby transferred to the district.

SEC. 49. The district may borrow money and provide for its repayment without regard to any limitation by reason of any budget law or otherwise, and may execute promissory notes or other evidence of indebtedness without proceedings for or the issuance of tax anticipation notes or proceedings under Division 4 of the Streets and Highways Code.

Borrowing
money

SEC. 50. The district may guarantee the performance of any of its transactions, including the payment of local improvement bonds issued pursuant to any general law, without regard to any limitation by reason of any budget law or otherwise.

Guaranteeing
performance

SEC. 51. The district may incur bonded indebtedness and issue bonds in the manner herein provided.

Bond in-
debtedness

SEC. 52. The district may refund or retire any public indebtedness or lien that may exist or be created against the district or any property therein which shall have arisen out of the transaction of the affairs of the district.

Refunds or
retirement of
debts, liens

SEC. 53. The district may issue warrants on any moneys with the county treasurer in payment of district obligations. The warrants shall be registerable as provided for county warrants when not paid for want of funds. Demands allowed by the board shall be prepared, presented, and audited in the same manner as demands upon the funds of the county, but free of the limitation of any budget law.

Warrants

SEC. 54. The district may cause special assessments to be levied and collected and issue bonds to represent unpaid assessments on the basis of benefit to the properties assessed for the purpose of financing the acquisition and construction of public improvements.

Special
assessments

SEC. 55. The district may appoint, employ and fix the compensation of such engineers, attorneys, assistants and other employees as it deems proper.

Employees

SEC. 56. The district may sell any effluent resulting from the operation of any treatment or disposal plant or facility constructed or acquired by or for the district.

Sale of
effluents

SEC. 57. The district may take out insurance in such form and in such amounts as the board may deem necessary for the adequate protection of the district's property, officers, employees and interests.

Insurance

SEC. 58. The district may make and enforce all necessary and proper regulations not in conflict with the laws of this State for the removal of garbage and refuse and the supplying of sewage, light, and water service. A violation of a regulation of the district is a misdemeanor punishable as such. A regulation of the board shall be adopted by ordinance and shall be posted for one week in three public places in the district and shall take effect upon expiration of the week of such posting. A subsequent finding of the board, entered in its minutes, that posting has been made is conclusive evidence that the posting has been properly made.

Regulations

SEC. 59. The district may compel all residents and property owners in the district to connect their houses, habitations,

Compelling
use of
facilities

and structures requiring sewage or drainage disposal service with the sewer and storm drains in streets, and use district garbage and refuse removal services and facilities.

Charges

SEC. 60. The district may prescribe, revise, and collect charges for services and facilities furnished by it. Such charges may be collected either singly or collectively, and the board may establish rules governing their levy and collection.

Payment

SEC. 61. The district may make such charges payable in advance. In case any such charges remain unpaid at the time specified for fixing the tax rate of the district, if the property is owned, controlled or in the possession of the same person who owned, controlled or was in possession of it during the time such charges were incurred, or if the only transfers made of the property since the date such charges were incurred, have been transfers by gift, descent, bequest or devise, the amount due for such charges may be added to and become a part of the annual taxes levied against the land served by the district facilities. The unpaid charges may be added to and become a part of the first installment of said taxes. The board shall include in the statement of tax rate transmitted to the county auditor the amount of such charges to be levied against the land served, and the auditor shall include such charges in the tax bills.

Letting
contracts
over \$2,500

SEC. 62. All contracts for the construction of any unit of work, except as hereinafter provided, estimated to cost in excess of two thousand five hundred dollars (\$2,500) shall be let to the lowest responsible bidder in the manner hereinafter provided. The board shall advertise by two insertions in a daily newspaper of general circulation or two insertions in a weekly newspaper of general circulation circulated in the district inviting sealed proposals for the construction of the work, before any contract shall be made therefor, and may let by contract separately any part of said work. The board shall have the right to reject any and all bids, in which case the board may advertise for new bids or perform the work by force account. In the event no proposals are received pursuant to advertisement therefor, or where the estimated cost of such work does not exceed the sum of two thousand five hundred dollars (\$2,500), or where the work is found by the board to consist of emergency work necessary in order to protect life and property, the board, by unanimous vote of all members present, may without advertising for bids therefor have said work done by force account. The district shall have the power to purchase in the open market without advertisement for bids thereof, materials and supplies for use in any work therewith either under contract or by force account; provided, however, that materials and supplies for use in any new construction work or improvement, except work referred to in the preceding sentence, may not be purchased if the cost thereof exceeds two thousand five hundred dollars (\$2,500), without advertising for bids and awarding the contract therefor to the lowest responsible bidder.

The provisions of this section shall have no application to a contract entered into under the authority of Section 47, or to a contract authorized by a vote of the electorate of the district.

Article 5. General Obligation Bonds

SEC. 80. The district may issue bonds as provided in this article for any of the purposes stated in Sections 43, 44 and 52 hereof. Issuance
of bonds

SEC. 81. By resolution, when in its judgment it is advisable, the board may, and shall, upon a petition of ten percent (10%) of the registered voters residing in the district, call an election and submit to the voters of the district the question whether bonds shall be issued. Resolution
Election

SEC. 82. The resolution calling the election may submit as one proposal the question of issuing bonds to make all of the outlays or so many of them as may be selected, or the resolution may submit at the election as separate questions the issuance of bonds for any of the outlays singly or in combination. Proposals

SEC. 83. Notice of bond elections shall be given by posting notices, signed by the secretary of the board, in three public places in the district, not less than twenty (20) days before the election, and by publishing the notice not less than once a week for three (3) successive weeks before the election in a newspaper printed and published in the district, if there is one, and if not, in a newspaper printed and published in the county Notice

SEC. 84. The notice shall contain:

- (a) Time and place of holding the election.
 - (b) The names of the officers of election appointed to conduct it.
 - (c) The hours during the day in which the polls will be open.
 - (d) A statement of the purpose for which the election is held.
 - (e) The amount and denomination of the proposed bonds, the rate of interest and the number of years, the whole or any part of the bonds are to run.
- Contents
of notice

SEC. 85. The vote shall be by ballot, without reference to the general law in regard to the form of ballot. Ballot

The ballot shall contain the words "Bonds—Yes" and "Bonds—No", and the person voting at the election shall put a cross (+) upon his ballot after the "yes" or "no" to indicate whether he has voted for or against the bonds.

SEC. 86. After the votes have been announced the ballots shall be sealed and delivered to the secretary or president of the board, which board shall on the seventh day after the election, at 8 p.m., meet and canvass them and enter the returns in its minutes. Canvass

The entry is conclusive evidence of the fact and regularity of all prior proceedings, and of the facts stated in the entry. No informality shall affect the validity of said bonds.

Conduct	SEC. 87. Except as herein provided, the election shall be conducted as nearly as practicable in accordance with the general laws.
Majority vote	SEC. 88. If, at the election, a majority of the votes cast are in favor of the issuance of bonds, the board may issue and dispose of the bonds as proposed in the resolution calling the election.
Denomination of bonds	SEC. 89. Bonds issued by the district under the provisions of this article shall be of such denomination as the board determines except that no bonds shall be of a denomination less than one hundred dollars (\$100) or greater than one thousand dollars (\$1,000).
Payment	SEC. 90. The bonds shall be payable in lawful money of the United States at the office of the treasurer or at such other place as may be designated by the board, and bear interest at a rate not exceeding six percent (6%) per annum, payable semiannually in like lawful money, except the first year which may be for more or less than one year.
Retirement	SEC. 91. No bonds shall be payable in installments, but each shall be payable in full on the date specified therein by the board. The board may provide that all bonds issued by the district may be subject to retirement at any time prior to maturity, in which event they shall so state on their face.
Signatures	SEC. 92. Each bond shall be signed by the president and countersigned by the secretary. The signature of the president on the bonds and of the secretary on the coupons may be printed, lithographed or engraved and such shall constitute due execution.
Numbering	SEC. 93. The bonds shall be numbered consecutively, beginning with number one, and shall have coupons attached referring to the number of the bond.
Disposal	SEC. 94. The bonds shall be disposed of by the board in such manner and in such quantities as may be determined by it in its discretion. No bond may be disposed of for less than its face value.
Term	SEC. 95. The term of bonds issued shall not exceed forty (40) years.
Regularity of proceedings	SEC. 96. The resolution ordering the issuance of the bonds, by its adoption, shall be conclusive evidence of the regularity of said bond proceedings.
Special proceedings	SEC. 97. The board may, in its discretion, before issuance, commence in the superior court of the county, a special proceeding to determine its right to issue the bonds and their validity, similar to the proceedings in relation to irrigation bonds, provided for by the "Irrigation District Law," and all supplementary acts, and all their provisions apply to and govern the proceedings to be commenced by the board, so far as applicable. The judgment has the same effect as a judgment in relation to irrigation bonds under the provisions of that law. The board may use the same procedure to validate the creation of the district and any annexations thereto.

SEC. 98. An issue of bonds is hereby defined to be the aggregate principal amount of all of the bonds authorized to be issued in accordance with a proposal submitted to and approved by the electors of the district, but no indebtedness will be deemed to have been contracted until bonds shall have been sold and delivered and then only to the extent of the principal amount of bonds so sold and delivered. Bond issue defined

SEC. 99. The board may, in its discretion, divide the aggregate principal amount of such issue into two or more divisions or series and fix different dates for the bonds of each separate division or series. In the event any authorized issue is divided into two or more divisions or series, the bonds of each division or series may be made payable at such time or times as may be fixed by the board separate and distinct from the time or times of payment of bonds of any other division or series of the same issue. Bond series, etc

Article 6. Revenue Bonds

SEC. 105. Proceedings for the authorization, issuance, sale, security, and payment of revenue bonds for sewerage, garbage, refuse, and water facilities of the district shall be conducted, either separately or as a joint single bond issue, for any one or all or any combination of said facilities, in substantial accordance with and with like legal effect as is now or hereafter provided in the Revenue Bond Law of 1941. Said bonds may be sold as the board shall determine. Revenue bonds

SEC. 106. The board shall have and exercise the powers and duties of local agencies under said law, and the bondholders shall have the rights and remedies therein provided. Powers and duties

Article 7. Assessment Bonds

SEC. 110. The Municipal Improvement Act of 1913, the Improvement Act of 1911, the Street Opening Act of 1903, and the Improvement Bond Act of 1915, as now or hereafter provided, are applicable to the district. Assessment bonds
Applicable laws

SEC. 111. The improvements authorized to be constructed or acquired by this article are restricted to those permitted to be constructed or acquired by the district under said acts and under Article 4 of this act. Restrictions

SEC. 112. The provisions of any act to the contrary, it shall not be necessary to obtain the consent of the county to conduct assessment proceedings. No assessment or bond hereafter levied or issued shall become a lien and no person shall be deemed to have notice thereof until a certified copy of said assessment and the diagram thereto attached shall be recorded in the office of the district engineer and in the office of the county surveyor or county engineer of the county. County consent

Article 8. Taxation—County Roll

SEC. 120. The lien for taxes for the first fiscal year after the district is formed shall attach on the first Monday in March or on the date the district is created, whichever is later. It shall Tax lien

not be necessary to make or file a notice of the creation of this district.

Annual
statement

SEC. 121. Annually, at least fifteen (15) days before the first day of the month in which the board of supervisors is required by law to levy the amount of taxes required by law for county purposes, the board shall furnish to the board of supervisors a written statement of the following:

1. The amount necessary to pay the interest on bonds for that year, and the portion of the principal that is to become due before the time for making the next general tax levy.

2. The amount necessary to maintain, operate, extend, or repair any work or improvements of the district, and to defray all other expenses incidental to the exercise of any of the district powers or to pay any existing obligations of the district.

Tax levy

SEC. 122. The board of supervisors shall at the time and in the manner of levying other county taxes, levy and cause to be collected a tax upon the taxable property in the district, based upon the last equalized assessment roll of the county, sufficient to pay the amounts set forth in the statement of the board.

Failure
to act

SEC. 123. If the board fails to furnish the written statement, the board of supervisors shall ascertain the amount necessary to pay the interest on the bonds for that year and the portion of the principal that is to become due before the proceeds of the next general tax levy shall become available, and shall levy and cause to be collected the amount.

Tax
collection

SEC. 124. The tax shall be collected at the same time and in the same manner as the general tax levy for county purposes, and when collected, shall be paid into the county treasury to the credit of the proper district fund, as provided in Article 9 hereof. The board shall control and order its expenditure.

Payment
on bonds

SEC. 125. The principal and interest on district bonds shall be paid by the treasurer, if payable at his office, in the manner now or hereafter provided by law for the payment of principal and interest on the bonds of the county.

County
compensation

SEC. 126. Compensation to the county for the performance of services described in this article is hereby fixed at one-half of 1 percent ($\frac{1}{2}$ of 1%) of all moneys collected for the district.

Article 9. Funds

District
general fund

SEC. 175. In a fund called the "Montalvo Municipal Improvement District General Fund," the treasurer shall place and keep the money levied by the board for that fund.

Construction
fund

SEC. 176. The proceeds of the sale of revenue bonds or general obligations bonds or proceeds of special assessments levied by the board shall be deposited with the treasurer and shall be by him placed in the fund to be called the "Montalvo Municipal Improvement District Construction Fund No. -----" (inserting number).

SEC. 177. The money in any construction fund shall be used for the purpose indicated in the resolution calling the election upon the question of the issuance of bonds, or for the purpose described in the resolution of intention in the assessment proceedings, or for repayment of money borrowed for the purpose of financing the improvement for which bonds were subsequently issued, or the assessment levied, and for no other purpose. Use of funds

SEC. 178. The bond moneys may also be used for interest and working capital for the period of construction and for twelve (12) months thereafter. Additional use

SEC. 179. Any money in the construction fund determined by resolution of the board to be in excess of the amounts required for completion of the improvement authorized may, by the resolution so determining, be transferred to any other fund of the district and be used for any lawful purpose. Excess amounts

SEC. 180. In a fund called the "Montalvo Municipal Improvement District Bond Fund, -----," (inserting series number), the treasurer shall keep money levied by the board for that fund. Bond fund

SEC. 181. No part of the money in the bond fund may be transferred to any other fund or be used for any purpose other than the payment of principal and interest of the bonds of the district, or for repayment of money borrowed for the purpose of paying the principal and interest of the bonds of the district, until said bonds are fully paid, at which time it may be transferred to any other fund. Limitation on use of bond fund

SEC. 182. The budget laws do not apply to the district. Inapplicability of budget laws

Article 10. Alternative Depositary of District Money

SEC. 200. The provisions of this article are alternative or supplemental to those herein provided for the use of the county treasury. Alternative provisions

SEC. 201. The board may by resolution designate a bank as depositary of any or all of its funds. If such depositary is not designated for all of its funds, it shall designate what funds are to be deposited with such depositary. The county treasurer shall be the depositary for all funds not so designated. Depositary of funds

SEC. 202. The charges of any depositary selected shall be a proper expense of the district. Charges

SEC. 203. The board shall appoint a person who shall be known as finance officer, who shall serve at its pleasure. It shall fix the amount of his compensation. It shall fix the amount of and approve his bond. He may be a member of the board or his office may be consolidated with that of the secretary. Finance officer

SEC. 204. Bond principal and interest and salaries shall be paid when due. All other claims and demands shall be approved in writing or in open meeting by a majority of the members of the board. Payment of claims

Warrants SEC. 205. Warrants shall be drawn by the finance officer and signed by the president and secretary, or one of them and one member of the board.

Finance officer's duties
Accounting SEC. 206. The finance officer shall install and maintain a system of auditing and accounting that shall completely and at all times show the financial condition of the district.

Reports SEC. 207. The finance officer shall make annual or earlier written reports to the board, as it shall determine, as to the receipts and disbursements and balances in the several accounts under his control. The report shall be signed by him and filed with the secretary.

Article 11. Annexation and Bonds of Annexed Territory

Annexing contiguous territory SEC. 220. Any contiguous territory may be annexed to the district in the manner provided in Articles 2 and 3 of Chapter 9 of Part 1 of Division 6 of the Health and Safety Code.

Bonds SEC. 221. At any time after the annexation of territory, the district board may issue bonds for any of the purposes stated in Section 43 hereof in or for the benefit of the annexed area in the manner provided in Article 5 hereof, except that only qualified electors resident within the annexed territory are entitled to petition or vote in the proceedings. If any such bonds are issued or proceedings under Article 7 hereof are conducted in the annexed territory, the territory shall not be subject to taxation for any outstanding bonds issued for one or more of the same purposes. When no such bond proceedings are contemplated in the annexed territory, the district board may, by resolution, if it finds such action to be necessary to provide equality of taxation, determine that the annexed area shall not be subject to taxation for any prior indebtedness. Certified copies of the resolution shall be filed with the county clerk and the county assessor and thereafter the annexed area shall not be subject to taxation for any such prior indebtedness. Certified copies of the resolution shall be filed with the county clerk and the county assessor and thereafter the annexed area shall not be subject to taxation for any such prior indebtedness.

Scope SEC. 222. The provisions of this article do not limit the powers or alter the procedure for the issuance and payment of bonds by an entire district.

Article 12. Purpose of Act

Purpose SEC. 240. The purpose of this act is to form the Montalvo Municipal Improvement District in order that the area benefited may be provided with various municipal improvements; special facts and circumstances, applicable to the area in which the district lies and not generally, making the accomplishment of this purpose impossible under existing general laws and therefore special legislation is necessary. The special facts are as follows:

(a) The area is without an adequate water supply, storage, and distribution system for public and private purposes.

(b) There is urgent need for the municipal improvements which the district is empowered to construct under this act, but other municipal powers which could be exercised by a city are not required, and would result in more government than the area needs or wants. There are no existing general laws under which sewer and water facilities may be jointly financed by revenue bonds. Therefore, the only way in which the particular needs of the area can be provided is by special act.

(c) The existing district is too limited to perform water or other functions. Their administration under a single governing body will result in economies of administration which cannot be obtained by continued unit functioning.

(d) The area is of strategic importance during times of war or threatened war. Its local airport is strategically located midway between the military and air installations at Oxnard and at Santa Barbara. Influx of military men and their families during times of war or threatened war greatly increases the necessity of providing municipal facilities.

CHAPTER 550

An act to repeal Chapter 9 of Division 2 of the Business and Professions Code; Divisions 15 and 22 of the Health and Safety Code; Chapter 8, Division 8 of the Business and Professions Code, and to add Chapter 9 to Division 2 of the Business and Professions Code, relating to pharmacy.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Chapter 9 of Division 2 of the Business and Professions Code; Divisions 15 and 22 of the Health and Safety Code; and Chapter 8 of Division 8 of the Business and Professions Code are hereby repealed. Repeal

SEC. 2. The provisions of Chapter 9, as added to Division 2 of the Business and Professions Code, by this act, insofar as they are substantially the same as the provisions of Chapter 9 of Division 2, and of Chapter 8 of Division 8, of said code, and of Divisions 15 and 22 of the Health and Safety Code, as repealed by this act, shall be construed as a continuation thereof, and not as new enactments. Construction

No provisions of Chapter 9 of Division 2, or of Chapter 8 of Division 8 of the Business and Professions Code, or of Divisions 15 and 22 of the Health and Safety Code, which had been superseded or otherwise modified prior to the enactment of this act, shall be revived or given any other effect than they would have had if this act had not been enacted. Superseded provisions

SEC. 3. Chapter 9 is added to Division 2 of the Business and Professions Code, to read:

CHAPTER 9. PHARMACY

Article 1. Administration

Californk.
State Board
of Pharmacy. 4000. There is in the Department of Professional and Vocational Standards a California State Board of Pharmacy in which the administration and enforcement of this chapter is vested. The board consists of seven members who shall be appointed by the Governor.

Membership
Appointment 4001. The Governor shall appoint seven competent registered pharmacists, residing in different parts of the State, to serve as members of the board.

Terms 4002. Members of the board shall be appointed for a term of four years and they shall hold office until the appointment and qualification of their successors.

The terms of the members of the board in office when this chapter takes effect shall expire as follows: two members, January 15, 1956; two members, January 15, 1957; two members, January 15, 1958; and one member, January 15, 1959.

The terms shall expire in the same relative order as to such members as the terms for which they hold office before this chapter takes effect. Vacancies occurring shall be filled by appointment for the unexpired term.

Teaching 4003. No member of the board shall teach pharmacy in any of its branches unless it be as a teacher in a public capacity and in a college of pharmacy.

Officers 4004. The board shall elect a president, a vice president, an executive secretary and a treasurer. The executive secretary may or may not be a member of the board as the board may determine. The executive secretary and treasurer shall each give a satisfactory bond running to the board for the faithful discharge of their respective duties. Each bond shall be in such sum as the board may from time to time require but not less than two thousand dollars (\$2,000).

Bonds
Register 4005. The executive secretary shall keep a book of registration open at the City of San Francisco in which shall be entered under supervision of the board the names, titles, qualifications, and places of business of all persons coming under the provisions of this chapter. He shall erase from the register the name of any registered pharmacist who has died or who, in the opinion of the board, has forfeited his right under the law to do business in this State. Upon receipt of the notification of any change in the place of business or name the executive secretary shall make the necessary change in his register.

Executive
secretary 4006. The executive secretary shall give receipts for all money received by him and pay it to the Department of Professional and Vocational Standards, taking its receipt therefor. Besides the duties required by this chapter, the executive

secretary shall perform such other duties pertaining to his office as may be required of him by the board.

4007. Four members of the board constitute a quorum. The board shall hold a meeting at least once in every four months. The office of the board shall be located in San Francisco. Quorum

4008. The board may make such rules and regulations, not inconsistent with the laws of this State, for the proper and more effective enforcement and administration of this chapter. Included therein shall be the right to make rules and regulations as follows: pertaining to the practice of pharmacy; regulating the sale of poisons; relating to the sanitation of persons and establishments, licensed under the provisions of this chapter and of all establishments wherein any drug is manufactured, compounded or prepared; providing for standards of minimum equipment of establishments licensed under the provisions of this chapter; pertaining to the sale of drugs by or through any mechanical device. Rules and regulations

4009. The board may institute such action or actions as may be provided by law and which, in its discretion, are necessary, to prevent the sale of pharmaceutical preparations and drugs which do not conform to the standard and tests as to quality and strength, provided in the latest edition of the United States Pharmacopoeia or the National Formulary. Actions

4010. The board may employ inspectors of pharmacy. The members of the board and inspectors of pharmacy may inspect, during business hours, all pharmacies, dispensaries, stores or places in which drugs or poisons are compounded, dispensed or sold. Inspectors

4011. The members of the board shall each be paid the sum of twenty-five dollars (\$25) per diem for every meeting of the board which they attend, and for each day engaged in rating examination papers based upon one per diem for each 20 papers or fraction thereof, and shall be further entitled to their actual travel and other necessary expenses incurred in the performance of their duties. Compensation Members

4012. The executive secretary shall receive such compensation as may be fixed by the board with the approval of the Director of Finance and in addition he shall be entitled to traveling and other expenses necessary in the performance of his duties. Same Executive secretary

Article 2. General Provisions and Definitions

4030. For the purposes of this chapter, the definitions of the terms in this article shall govern the construction of the provisions of this chapter, unless otherwise indicated. Construction

4031. "Drug" means (1) articles recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or any supplement of any of them; (2) articles intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals; (3) articles (other than

food) intended to affect the structure or any function of the body of man or other animals; (4) articles intended for use as a component of any article specified in clause (1), (2), or (3).

"Itinerant
vendor"

4032. "Itinerant vendor" means and includes all persons who carry on the business described in Section 4120, by passing from house to house or place to place, or by haranguing the people on the public streets or in public places or in stores, shops or other places, to which the public is invited or attracted, or use the various customary devices for attracting crowds to and into such places and therewith recommending their wares and offering them for sale. No one shall be construed to be an "itinerant vendor" who holds a permit issued by the board, under the provisions of Section 4092.

"Physi-
cians," etc

4033. "Physicians," "dentists," "pharmacists," "chiroprodists," "veterinarians," "veterinary surgeons," are persons authorized by a currently valid and unrevoked license to practice their respective professions in this State. "Physician" means and includes any person holding a valid and unrevoked physician's and surgeon's certificate or certificate to practice medicine and surgery, issued by the Board of Medical Examiners or the Board of Osteopathic Examiners of this State.

"Manufac-
turer"

4034. "Manufacturer" means and includes every person who prepares, derives, produces, compounds, manufactures or repackages any drug other than those enumerated in Sections 4052 and 4057. A pharmacy, registered as such by the board, shall not be construed to be a manufacturer.

"Pharmacy"

4035. "Pharmacy" means and includes every store or shop where drugs or medicinal poisons are dispensed or sold at retail or displayed for sale at retail, or where prescriptions are compounded, which has upon it or in it, as a sign, the words "pharmacist," "pharmaceutical chemist," "apothecary," "druggist," "pharmacy," "drug store," "drugs," "drug sundries," "prescriptions," or any of these words or combination thereof.

"Prescrip-
tion"

4036. "Prescription" means an order given individually for the person for whom prescribed, directly from the prescriber to the furnisher, or indirectly by means of a written order, signed by the prescriber, and shall bear the name and address of the prescriber, his license classification, the name of the patient, name and quantity of the drug prescribed, directions for the use, and the date of issue.

"Registered
pharmacist"

4037. "Registered pharmacist" means a person to whom a certificate has been issued by the board, under the provisions of Section 4085, or a practicing pharmacist. Practicing pharmacists are persons who are registered as such, under Chapter 406 of the Statutes of 1905, relating to pharmacy, and who have paid all moneys due for renewal of registration, as required by that statute.

"Whole-
saler"

4038. "Wholesaler" means and includes every person who acts as jobber or wholesale merchant, or who sells, dispenses or vends any drug other than those enumerated in Sections 4052 and 4057 for resale, but shall not include a manufacturer.

A pharmacy registered by the board shall not be construed to be a wholesaler.

4039. "Person" includes firm, association, partnership or corporation.

4040. All persons registered under this chapter shall be exempt from jury duty.

4041. "Certificate," as used in this chapter, unless otherwise indicated, means a certificate issued under the provisions of Section 4085.

4044. "Board" means the California State Board of Pharmacy.

Article 3. Application of Chapter

4050. Except as otherwise provided in this chapter, it is unlawful for any person to manufacture, compound, sell or dispense any drug, poison or chemical, or to dispense or compound any prescription of a medical practitioner unless he is a registered pharmacist under the provisions of this chapter.

4051. This chapter does not apply to or interfere with anyone who holds a physician's and surgeon's certificate or certificate to practice chiropody and who is duly registered as such by the Board of Medical Examiners or the Board of Osteopathic Examiners of this State, with supplying his own patients with such remedies as are necessary in the treatment of the condition for which he attends such patient if he acts as their physician and is employed by them as such and if he does not keep a pharmacy, open shop or drug store, advertised or otherwise, for the retailing of drugs or poisons, and provided such person keeps accurate records of drugs dispensed and that such drugs may not be dispensed by a nurse or attendant.

4052. (a) Except as otherwise provided in Articles 7, 8, and 9 of this chapter, this chapter shall not apply to any packaged, bottled or nonbulk chemicals or drugs, when identified by and sold under a trademark, trade name or other trade symbol privately owned or registered in the United States Patent Office or as provided by the laws of the State of California, and labeled with directions for use and with the name and address of the manufacturer or distributor, if such chemical or drug meets with the requirements of the pure food and drug laws of the United States of America and of the State of California.

Except as provided in Section 4057, this section does not exempt the sale of any medicinal drug or medicinal preparation named and listed in the United States Pharmacopoeia, Homeopathic Pharmacopoeia of the United States or the National Formulary when sold under such name alone or when sold under such name used conjointly with a trade name, brand or trademark, registered or not.

(b) This chapter does not apply to the sale of any intravenous solution of 150 cubic centimeters or over; cold sterilizing solutions, sterilized sutures; hypodermic needles and

Exemption
from jury
duty

"Certificate"

"Board"

Unlawful
practices

Exemptions.
Supplying
own patients
by physician
and surgeon
or chirop-
odist

Same
Packaged,
etc., drugs
or chemicals

Same Solu-
tions, etc.

syringes; sterile distilled water U. S. P.; sterile normal saline solution; laboratory chemicals and reagents, stains and dyes; chemicals and drugs used as indicators in diagnostic and X-ray examinations, soaps, detergents and tincture of green soap U. S. P.; medicinal gases, ether, chloroform and ethyl chloride; sulfa creams, ointments, and jellies used for introduction into the vaginal tract; and medicated dressings; where such sale is made to any of the following:

1. A physician, dentist, chiropodist, veterinarian, pharmacist, medical technician or medical technologist holding a currently valid and unrevoked license to practice his profession; and a chiropractor acting within the scope of his license.

2. A clinic, hospital, institution or establishment holding a currently valid and unrevoked license or permit under Division 2 of the Health and Safety Code, or under Part 3 of Division 2, Chapter 2 of Division 3, or Part 2 of Division 6 of the Welfare and Institutions Code.

3. An exporter for export outside of the United States where such drugs, poisons or chemicals are actually shipped outside of the United States.

(c) This section does not exempt the provisions of Section 4050 of this chapter requiring that any prescription of a medical practitioner shall be compounded or dispensed by a registered pharmacist whether the ingredient or ingredients of such a prescription be trademarked or not.

Premises

4053. Premises in which any of the articles enumerated in Sections 4052 and 4057 of this chapter, are sold, or any person licensed as a general dealer, shall not be deemed to be a pharmacy, as that term is defined in Section 4035, by reason of their being upon or in the premises thereof, any words except those restricted by Section 4035.

Conduct of
pharmacy

4054. Every store, dispensary, pharmacy, laboratory or office for the sale, dispensing or compounding of drugs or chemicals, or for the dispensing of prescriptions of medical practitioners, shall be in charge of a registered pharmacist.

Permit to
general
dealers

4055. The permit to general dealers in rural districts issued under the provisions of Section 4092 shall authorize the persons or firm therein named to sell in such locality, but not elsewhere, and under such regulations and restrictions as the board may from time to time adopt, the following simple household remedies and drugs, in such manner and form as may be authorized by the board:

Saleable
drugs

Tincture of arnica, spirits of camphor, almond oil, distilled extract witch hazel, syrup of ipecac, syrup of rhubarb, hive syrup, sweet spirits of nitre, tincture of iron, epsom salts, rochelle salts, senna leaves, carbonate of magnesia, seidlitz powders, quinine, cathartic pills, chamomile flowers, caraway seed, chlorate of potash, moth balls, plasters, salves, ointments, peroxide of hydrogen, gum camphor, blue ointment, asafetida, saffron, anise seed and saltpetre, and such other remedies or drugs as the board may from time to time designate.

4056. No general dealer in a rural district shall sell any drugs or ordinary household remedies, without complying with the requirements of Section 4055 and 4092. Whenever a pharmacy is established within three miles by the shortest road, from the place of business of a general dealer in a rural district, the permit already issued to such dealer shall be void, and no further permit granted to him. Voiding of permit

4057. Nothing in this chapter shall apply to or interfere with the sale at wholesale or retail by grocers, dealers, persons who are not registered pharmacists, and other vendors generally without restriction of the following articles, whether or not they are otherwise exempted from the provisions of this chapter by Section 4052 or otherwise referred to therein: vitamin or mineral products or combinations thereof, dietary foods or food supplements, foods or other nutrients for dietary uses when any of such articles are sold to supplement or fortify the ordinary or usual diet of man or other animal or poultry and are labeled accordingly, and when such articles meet the requirements of the Federal Food, Drug and Cosmetic Act and the food laws of the State of California; Glauber salt, petroleum jelly, turpentine, cod-liver oil, milk of magnesia, condition powders, cream of tartar, carbonate of soda, bay rum, essence of peppermint, ammonia, alum, castor oil, bicarbonate of soda, chloride of lime, glycerine, witch hazel, sheep dip, borax, sulfur, aspirin tablets, gauze bandage, mineral oil, sterile cotton, medicated adhesive and corn plasters, peroxide of hydrogen, 10 volume, bluestone, copperas, flaxseed, insect powder, flypaper, unmedicated corn plasters, unmedicated adhesive plasters, and poultry vermifuge. Sales without restrictions

4058. Grocers and dealers generally may sell all economic poisons which are within the terms of Article 3 of Chapter 7 of Division 5 of the Agricultural Code, relating to economic poisons, and which are licensed and registered thereunder, sold in original sealed packages and labeled with the official poison labels, when prepared, packaged and sold in accordance with rules and regulations authorized by said Article 3, except the following: arsenate of lead, arsenate of calcium, paris green, london purple and hydrocyanic acid in original sealed packages of less than one pound, any economic poison containing more than two (2) percent strychnine or ten (10) percent elemental phosphorus, and poisons containing more than 0.40 percent by weight of arsenic expressed in terms of metallic arsenic, corrosive sublimate and cyanide of potassium. Economic poisons

4059. This chapter does not prevent the sale of epsom salts in original packages of not less than 10 pounds when plainly and properly labeled "For livestock only and not for medicinal purposes" in letters not less than one-half inch in height. Epsom salts

4060. The furnishing, dispensing or vending of any chemicals or drugs other than those exempted in Sections 4052 and 4057, or preparations designed for the purpose of feeding or treating animals (other than man) or poultry, and so Sale of other chemicals or drugs

labeled, by a wholesaler shall be under the immediate supervision and direction of a registered pharmacist.

Article 4. Applications, Registrations, Permits—Generally

Pharmacy
permits

4080. No person shall conduct a pharmacy in the State of California unless he has obtained a permit from the board. Each permit shall be issued to a specific person and for a specific location. Separate permits shall be issued for each of the premises of any business establishment having more than one location.

Application

4081. Each application to conduct a pharmacy shall be made on a form furnished by the board. Upon the approval of such application by the board and paying the fee required by this chapter for each pharmacy, the executive secretary of the board shall issue a permit to conduct a pharmacy under the provisions of Section 4080, if all of the provisions of this chapter have been complied with. Any other provision of law notwithstanding, such permit shall authorize the holder to conduct a pharmacy and to sell and dispense prophylactics, hypodermics, hypnotics, and poisons. The permit shall be renewed annually on or before November 1st of each year and shall not be transferable.

Change in
location
or name

4082. If a pharmacy is moved from one location to another or the name only of a pharmacy is changed, the licensee shall notify the board within thirty (30) days after the change, and shall return the permit to the board for correction.

Purchase of
pharmacy

4083. Any person who enters into an agreement to purchase a pharmacy shall at once notify the board in writing, giving his name and address. Such person shall file his application to conduct a pharmacy upon a form furnished by the board. Upon approval of the application by the board, payment of the fee, and compliance with the provisions of this chapter, the executive secretary of the board shall issue to the applicant a permit to conduct a pharmacy and the permit of the vendor of such pharmacy shall be returned to the board for cancellation.

Manufac-
turer's and
wholesaler's
permits

4084. No person shall act as a wholesaler or manufacturer unless he has obtained a permit from the board. Each application for a wholesaler's or manufacturer's permit shall be made on a form furnished by the board. Upon approval of such application by the board, and the payment of the fee required, the board shall issue a permit to such applicant, and such permit shall be renewed annually before the first day of January of each year.

Registration
of phar-
macists

4085. The board shall register as registered pharmacists, and issue a certificate to all applicants who meet the following requirements:

Qualifi-
cations

(a) That the applicant is 21 years of age; (b) That the applicant has been graduated from a college of pharmacy or department of pharmacy of a university recognized by the board, which school or college of pharmacy or department of

pharmacy of a university requires a resident attendance of not less than eight calendar months of each year of its course. The course in pharmacy shall consist of not less than 3,200 hours distributed over a period of not less than four years. Any student, however, may complete the required course of 3,200 hours in a lesser period of time (c) That the applicant has had one year of practical experience in a pharmacy recognized by the board. (d) That the applicant has passed a written and practical examination given by the board.

4086. Proof of the qualifications of any applicant for registration as a registered pharmacist, shall be made to the satisfaction of the board and shall be substantiated by such affidavits or other evidence as may be required by the board. Proof

4087. Pharmaceutical experience constitutes service and experience obtained after the applicant's fifteenth birthday in a pharmacy under the personal supervision of a registered pharmacist, and which consists of service and experience predominantly related to the selling of drugs, compounding physician's prescriptions, preparing pharmaceutical preparations, and keeping records and making reports required under state and federal statutes. Pharmaceutical experience

4088. A pharmaceutical year shall consist of not less than 1,900 clock hours of pharmaceutical experience as defined by Section 4087. Pharmaceutical year

4089. Each applicant for registration as a registered pharmacist shall be of good moral character and temperate habits; he shall be a citizen of the United States, or, if eligible for citizenship and not a citizen, he shall have filed and proven his intention of becoming one. If citizenship is later denied to any person registered under this chapter, then such denial of citizenship shall automatically cancel all such registration and privileges. Character. citizenship

4090. The registration already granted to aliens as either registered pharmacists, licentiates in pharmacy or registered assistant pharmacists, under Chapter 406 of the Statutes of 1905, relating to pharmacy, shall not be affected by this chapter and such registration shall have the same force and effect under this chapter that it had under that statute. Aliens

4091. Each person applying for registration as a registered pharmacist under this chapter shall pay to the executive secretary of the board, the fees provided by this chapter, on filing his application, and which shall be compensation to the board for investigation or examination of the applicant. Payment of fees

4092. The board shall issue a permit to general dealers in rural districts upon the payment in advance of the fee provided in Section 4416, where the conditions, in its judgment, do not justify the employment of a registered pharmacist, and where the store of such general dealer is not less than three miles distant from a licensed pharmacy. Issuing permit to general dealer

4093. Every person holding a certificate or a permit issued under this chapter shall keep the same or the last receipt of the renewal thereof displayed in a transparent container upon Posting

the licensed premises conspicuous to the purchasing public. Every relief pharmacist shall while on duty carry his certificate of registration upon his person.

Change of
place of busi-
ness or name

4094. Within 30 days after the changing of his place of business as designated on the books of the board or after changing his name according to law, every registered pharmacist shall notify the executive secretary of the board of his change of place of business or change of name.

4095. The board shall not reissue any certificate of registration or permit without the payment of the fees required by this chapter and the payment of all annual fees that are delinquent at the time that the application is made.

Lost
certificate

4096. If any certificate belonging to a person registered under this chapter is lost or destroyed, or if any person registered under this chapter desires a reissuance of his certificate, the board may reissue one, subject to the provisions of Section 4095, upon application therefor, and the submission of satisfactory proof, if required by the board, that the certificate has been lost or destroyed, or if the certificate has not been lost or destroyed, upon the surrender of the old certificate.

Itinerant
vendor's
license fee

4097. A license fee of twenty-five dollars (\$25) is hereby levied upon all itinerant vendors doing business in this State, which shall be paid to the board at the time of making application for such license.

The annual fee shall be paid on or before the first day of January of each year to the Board of Pharmacy, for the use and benefit of the State of California, and shall constitute a special fund for the enforcement of this entire chapter.

For each license issued after the first day of January, the fees shall be reduced one-fourth for each three months' period which has elapsed since this date.

Any person who fails to pay the annual license fee by the second day of February following the date it has become payable shall be liable to a penalty of five (\$5) dollars.

County and
municipal
taxes or
licenses

4098. Nothing in Section 4097 or in Article 5 of this chapter prevents the collection of any tax or license that may be imposed by any county or municipal authority.

Itinerant
vendor's
license

4099. Upon receipt of the license fee provided in Section 4097, and upon the filing of the application therefor, the board shall issue a license to the applicant, authorizing him to conduct the business of itinerant vendor within this State, until the first day of January of the year next ensuing.

Transfer of
license

4100. The license provided for in Section 4097 shall be transferable as to its unexpired portion upon written notice to the board giving the name and address of the transferee, and said notice shall be accompanied by a transfer fee of one dollar (\$1). Upon receipt by the board of said written notice and fee, the transferee shall succeed to the unexpired portion of the privileges granted by said license.

Article 5. Itinerant Vendors

4120. No person, as principal or agent, shall conduct, as an itinerant vendor, within the State, the business of selling or in any manner disposing of drugs, nostrums, ointments or any appliances for the treatment of disease, deformities or injury without previously obtaining a license so to do under the provisions of Section 4097.

4121. In all actions or prosecutions for violations of any provisions of this article, it need not be alleged in the complaint, nor proved, that the defendant does not have a license, as required by this article, but the fact that he has such a license may be pleaded as a matter of defense.

Article 6. Hypodermics

4140. The board may, upon written application, on a form furnished by the board, and in its discretion, issue a permit to any person, permitting and authorizing such person to sell and dispense hypodermic syringes and hypodermic needles for the purposes and uses specified in said permit.

4141. Any sale of a hypodermic needle or hypodermic syringe shall at the time of sale be recorded in a book by the person making such sale and giving the date and hour of the sale, the type or kind of syringe sold, the quantity sold, the purpose and use for which such hypodermic needle or hypodermic syringe was purchased, the signature of the person making the sale and the signature and address of the purchaser. Such record book shall be available for inspection by any authorized representative of the board or of the Division of Narcotics of the Department of Justice of the State of California.

4142. The provisions of this article with reference to hypodermic syringes and needles do not apply to the sale at wholesale by drug jobbers, drug wholesalers and drug manufacturers or manufacturers and dealers in surgical instruments to any of the following:

(a) Pharmacies as defined in the Business and Professions Code.

(b) Physicians.

(c) Dentists.

(d) Chiropodists.

(e) Veterinarians.

(f) Other jobbers, wholesalers or manufacturers.

(g) Persons to whom a permit has been issued.

(h) Funeral directors and embalmers.

Nor do such provisions apply to the sale at retail by persons to whom a permit has been issued to any of the following:

(a) Pharmacists.

(b) Physicians.

(c) Dentists.

(d) Chiropodists.

- (e) Veterinarians.
- (f) Licensed medical technicians or technologists.
- (g) Nurses.
- (h) Hospital research teaching or clinical laboratories.
- (i) Other permittees.
- (j) Funeral directors and embalmers.

Penalty for
possession
under false
representa-
tion

4143. The possession by any person of a hypodermic needle or hypodermic syringe which has been obtained by false or fraudulent representation or design or by forged or fictitious name, or contrary to or in violation of any of the provisions of this chapter, shall constitute a misdemeanor. Any person convicted thereof shall be punished as prescribed by law.

Penalty
for misuse

4144. Any person who has obtained a hypodermic needle or hypodermic syringe from any person to whom a permit has been issued as provided in this article and uses, permits or causes, directly or indirectly, such hypodermic needle or hypodermic syringe to be used for any purpose other than that for which it was purchased is guilty of a misdemeanor and upon conviction thereof is punishable by imprisonment for not less than six months or by a fine of not less than one hundred dollars (\$100) or more than five hundred dollars (\$500) or by both such fine and imprisonment.

Prescriptions

Exemptions

4145. No hypodermic needle or hypodermic syringe shall be sold for human use except upon the prescription of a physician and surgeon, dentist or chiropodist. The foregoing provisions shall not apply to sales of hypodermic needles or hypodermic syringes for human use for the purpose of administering adrenalin or insulin to persons suffering from diabetes or asthma.

Article 7. Poisons

"Poison"

4160. "Poison" means and includes the compositions of the following schedules:

Schedule
"A"

SCHEDULE "A"

- (a) Arsenic compounds and preparations.
- (b) Cyanides and preparations, including hydrocyanic acid.
- (c) Fluorides soluble in water, and preparations.
- (d) Mercury compounds and preparations, except preparations made and labeled for external use only and containing not more than five-tenths percent (0.5%) total mercury, and except ointments or soaps containing not more than two percent (2.0%) total mercury or not more than ten percent (10.0%) ammonium mercuric chloride or mercuric oxide.
- (e) Phosphorus and preparations.
- (f) Thallium compounds and preparations.
- (g) Aconite, belladonna, cantharides, cocculus, conium, digitalis, gelsemium, hyoscyamus, nux vomica, santonica, stramonium, strophanthus, veratrum, or their contained or derived active compounds and preparations, except preparations made

and labeled for external use only, and except preparations containing not more than four-thousandths percent (0.004%) total belladonna alkaloids or not more than two-hundredths percent (0.02%) total nux vomica alkaloids, and except preparations in dosage forms each containing not more than two-tenths milligram (0.20 mg.) total belladonna alkaloids or not more than one milligram (1.0 mg.) total nux vomica alkaloids.

(h) Zinc phosphide and preparations.

(i) Sodium fluoroacetate and preparations.

SCHEDULE "B"

Schedule
"B"

(a) Antimony, barium, copper, lead, silver or zinc compounds soluble in water, and preparations containing five percent (5.0%) or more of these compounds.

(b) Bromine or iodine and preparations.

(c) Hypochlorous acid, free or combined, and preparations that yield ten percent (10.0%) or more of available chlorine, excepting chloride of lime or bleaching powder.

(d) Permanganates soluble in water, and preparations containing five percent (5.0%) or more of these compounds.

(e) Nitric acid and preparations containing five percent (5.0%) or more of the free acid.

(f) Hydrochloric, hydrobromic or sulfuric acids, and preparations containing ten percent (10.0%) or more of the free acids.

(g) Oxalic acid or oxalates, and preparations containing ten percent (10.0%) or more of these compounds.

(h) Acetic acid and preparations containing twenty percent (20.0%) or more of the free acid.

(i) Potassium or sodium hydroxides, and preparations containing ten percent (10.0%) or more of the free alkalis.

(j) Ammonia solutions or ammonium hydroxide, and preparations containing five percent (5.0%) or more of free ammonia.

(k) Chloroform or ether, and preparations containing five percent (5.0%) or more of these compounds, except preparations made and labeled for external use only.

(l) Methyl alcohol or formaldehyde, and preparations containing one percent (1.0%) or more of these compounds, except when used as a preservative and not sold to the general public.

(m) Phenol or carbolic acid, cresols or other phenol derivatives, soluble in water, and preparations containing five percent (5.0%) or more of these compounds.

(n) Nitroglycerine and nitrates.

(o) Nicotine and preparations containing nicotine expressed as alkaloid more than two percent (2.0%).

(p) Ergot, cottonroot, pennyroyal and larkspur, or their contained or derived active compounds or mixtures thereof.

Schedule
"C"

SCHEDULE "C"

(a) Carbon tetrachloride.

Labels

4161. No person shall vend, sell, give away or furnish, either directly or indirectly, any poisons enumerated in Schedule "A," "B" and "C" in Section 4160, unless there is affixed a poison label to the package, box, bottle or paper in which the "A" or "B" poison is contained and a caution label affixed to the package, box, bottle, or paper in which the "C" poison is contained. The poison or caution label shall be substantially in the form provided in this chapter.

Sale, etc.
of poisons

4162. No person shall sell or deliver any poison named in Schedule "A" or any other poison, which may from time to time be designated by the board, unless on inquiry it is found that the person desiring it is aware of its poisonous character, and it satisfactorily appears that it is to be used for a legitimate purpose.

Chemical
examination

4163. Any person who makes a chemical examination of any tissue, organ or body fluid of man or animal, or of any food or drink, within the State of California, and finds the presence of poison, must, within 30 days, furnish the board with the name of the poison, the name of the food or drink in which poison was found, the name and address of the person so poisoned, or the kind of animal so poisoned together with the name and address of the owner of said animal. Any person who fails to comply with any of the provisions of this section or who falsely makes or withholds such report shall be guilty of a misdemeanor.

Sale to
person
under 18

4164. No poison enumerated in Schedules "A" and "B" in Section 4160, shall be sold or delivered to any person who is less than 18 years of age.

False rep-
resentations

4165. No person shall give a fictitious name or make any false representations to the seller or dealer when buying any of the poisons enumerated in Section 4160, except that this prohibition shall not apply to an officer or inspector of the board in the performance of the duties enjoined by law upon the board, or to any person acting under authority of the board in the performance of its duties.

Record of
sale of
Schedule
"A" poisons

4166. No person shall sell or deliver any poison included in Schedule "A" or the additions thereto, without making or causing to be made, at the time of sale, an entry in a poison book kept solely for that purpose, stating the date and hour of sale, and the name, address, and signature of the purchaser, the name and quantity of the poison sold, the statement by the purchaser of the purpose for which it is required, and the name of the dispenser, who shall be a registered pharmacist. The entry shall be made out in full, in ink by the dispenser himself, before the purchaser affixes his signature.

Form of
record

4167. The poison book shall be in form substantially as follows:

Date	Name of	Kind and Purpose	Signature of	Signature of
and hour	purchaser	Residence	quantity	of use
			pharmacist	purchaser

This book shall always be open for inspection by the proper authorities, and shall be preserved for at least five years after the date of the last entry therein.

4168. The poison label required by this article to be placed Labels on all packages of poison, shall contain the word "poison" and the "vignette" representing the skull and crossbones, printed upon red paper in distinct white letters, or in distinct red letters upon white paper, and shall contain the name of the article or contents of the package, the name and place of business of the person or firm packaging the poison. The particular label requirement for the antidote adopted by the board for the poison sold (and no other) shall also be upon the poison label or be attached to the package.

4169. The entries in the poison book and the printed or written matter required to be placed on the label or the package shall be in the English language, except that the vendor of said poison may enter them in any foreign language he may desire, in addition to the entry and label in English. English language

4170. Wholesale dealers and pharmacists are exempted from the registration of the sale of any poison enumerated in Schedule "A" when it is sold to a registered pharmacist, physician, dentist, chiropodist, or veterinary surgeon, or to a research, teaching or testing laboratory or other established legitimate user in the chemical and technical arts. Wholesale sales

4171. Wholesale dealers and pharmacists shall affix or cause to be affixed to every bottle, box, parcel or other enclosure of an original package containing any narcotic as defined in Article 1 of Chapter 1 of Division 10 of the Health and Safety Code, a suitable label or brand with the word "poison" thereon. Labels

4172. None of the provisions of this article shall be construed to prohibit the sale at cost of any economic poisons by any county through its horticultural commissioner or his deputies when authorized by the board of supervisors, if such economic poisons are to be used for the purpose of controlling insect or other animal pests or noxious weeds or plant diseases and if a record of poison sales is kept by such county officer in accordance with this article. County sales for horticultural use

4173. The provisions of this article do not apply to any sale made upon the prescriptions of a practicing physician, dentist, chiropodist or veterinary surgeon. Exemptions

4174. The provisions of this article do not apply to the furnishing of any ethyl alcohol or preparations thereof that are denatured in accordance with any formula approved for external use by the United States Treasury Bureau of Internal Revenue.

4175. None of the provisions of this article shall apply to the sale of economic poisons defined in Article 3, Chapter 7 of Division 5 of the Agricultural Code and registered thereunder and sold in an unbroken original container when labeled as specified in Sections 4161 and 4168, except that the provisions shall apply to ant poisons containing more than four- Application

tenths percent (0.4%) total arsenic and to preparations containing more than two percent (2 0%) total nux vomica alkaloids.

Addition to
Schedule.

4176. When in the opinion of the board it is in the interest of the public health, it may further add or deduct compounds or preparations to Schedule "A," "B" or "C" after an open hearing following due notification of interested parties, which rules will be applicable to all persons alike.

Adoption
of rules

Notice of the adoption of rules pursuant to this section shall be given to the public in such manner as the board deems necessary. No person shall be subject to prosecution for violating the rule until the board has given due public notice of its rule. In addition to the public notice of the adoption of such rules, the board shall give written notice of the adoption of such rules within 30 days after the adoption thereof by sending written notice thereof to all drug stores licensed under this chapter.

No schedule adopted under the provisions of this article shall apply, except as specifically provided in this article, to any economic poison as defined in Section 1061 of the Agricultural Code.

Antidote
schedule

4177. The board shall adopt a schedule of what in their judgment are the most suitable common antidotes for the various poisons usually sold. The board shall have the schedule of antidotes printed and shall forward by mail one copy to each person registered upon their books, and to any other person applying for it. The board may revise and amend the list of antidotes from time to time, as they deem advisable.

Addition to
schedules

4178. Printed notice of all additions to the schedules of poisons set forth in this article, and the antidote adopted by the board for each such poison shall be given to all registered pharmacists with the next following renewal of their certificates.

Applicable
laws

4179. The board shall, upon request, furnish any dealer with a copy of the laws relating to articles, preparations and compounds, the sale of which is prohibited or regulated by this article or the rules of the board.

Violations

4180. The district attorney of the county wherein the violation is committed, shall, at the request of the board, institute and conduct all actions and prosecutions for violations of the provisions of this article relating to the labeling, sale or use of poisons.

Penalties

4181. Any person violating any of the provisions of this article is guilty of a misdemeanor and upon conviction shall be fined in a sum of not less than one hundred dollars (\$100), nor more than five hundred dollars (\$500), or by imprisonment for not less than 90 days, and not more than one year, or by both such fine and imprisonment.

Disposition
of fines, etc

All money, forfeited bail or fines received under the operation of this article shall be sent without delay by the magistrate receiving it, 75 percent to the State Treasurer to be deposited in the State Treasury and 25 percent to the city

treasurer of the city, if incorporated, otherwise to the county treasurer of the county in which the prosecution is conducted.

4182. Every judge and magistrate who collects fines or forfeitures under this article shall keep a record of the fines or forfeitures, and, upon the imposition of any such fine or forfeiture, shall immediately transmit a copy of the record thereof to the county clerk of the particular county. The county clerk shall keep a record of the fines and forfeitures imposed under this article in his county.

Record of
fines and
forfeitures

Whenever an imprisonment has been imposed for a violation of this article, and before the termination of the sentence thereof the defendant is released by the vacation of the sentence of imprisonment and the imposition of a fine or forfeiture in lieu thereof, such fine or forfeiture shall be recorded and accounted for in the same manner as though it had been imposed in the first instance.

The official bond of any judge or magistrate shall be liable for his failure to transmit the fines or forfeitures imposed by him under the provisions of this article.

4183. The county clerk of each county shall, on or before the fifteenth day of January, transmit to the State Controller an annual report of the fines and forfeitures collected during the preceding calendar year within his county.

Reports

The State Controller shall check the report of each county clerk with the transmittals of fines and forfeitures from the judges and magistrates, and whenever it is apparent that fines or forfeitures have not been transmitted, the State Controller shall bring suit to enforce the collection or transmittal thereof, or both.

4184. The records kept by any judge, magistrate or county clerk, under the provisions of this article, shall be open to the public for inspection, and may be checked by the State Controller, the Attorney General, or the district attorney of the particular county.

Public
records

Article 8. Dangerous Drugs

4210. Definitions of terms in this article apply to this article only.

Application
of definitions

4211. "Dangerous drug" means any drug unsafe for self-medication, except preparations of drugs defined in subdivisions (e), (f), (h), and (i) hereof, designed for the purpose of feeding or treating animals (other than man) or poultry, and so labeled, and includes the following:

"Dangerous
drug"

(a) Any hypnotic drug. "Hypnotic drug" includes acetylurea derivatives, barbituric acid derivatives, chloral, paraldehyde, sulfomethane derivatives, or any compounds or mixtures or preparations that may be used for producing hypnotic effects.

(b) Aminopyrine, or compounds or mixtures thereof.

(c) Amphetamine, desoxyephedrine, or compounds or mixtures thereof except preparations for use in the nose and unfit for internal use.

(d) Cinchophen, neocinchophen, or compounds or mixtures thereof.

(e) Diethyl-stilbestrol, or compounds or mixtures thereof.

(f) Ergot, cotton root, or their contained or derived active compounds or mixtures thereof.

(g) Oils of croton, rue, savin or tansy or their contained or derived compounds or mixtures thereof.

(h) Sulfanilamide or substituted sulfanilamides, or compounds or mixtures thereof, except preparations for topical application only containing not more than five percent (5%) strength.

(i) Thyroid and its contained or derived active compounds or mixtures thereof.

(j) Phenylhydantoin derivatives.

(k) Any drug which bears the legend: "Caution: federal law prohibits dispensing without prescription."

(l) Hypnotic drugs when combined and compounded with nonhypnotic drugs.

"Furnish" 4212. "Furnish" means to supply by any means, by sale or otherwise.

"Administer" 4213. "Administer," as used in this article, means the furnishing by a physician and surgeon, dentist or chiropodist to his patient of such amount of drugs or medicines referred to in this article as are necessary for the immediate needs of the patient.

"Dispense" 4214. "Dispense" as used in this article shall mean the furnishing of the medicines referred to in this article upon the legal prescription from a physician, dentist, chiropodist or veterinarian or upon a legal hypnotic order form.

"Prescription" 4215. "Prescription" means an order given individually for the person for whom prescribed, directly from the prescriber to the furnisher or indirectly by means of an order signed by the prescriber and shall bear the name and address of the prescriber, his license classification, the name and address of patient, name and quantity of drug or drugs prescribed; directions for use and the date of issue.

"Physician," etc 4216. "Physician," "dentist," "chiropodist," "veterinarian" and "pharmacist" mean persons authorized by a currently valid and unrevoked license to practice their respective professions in this State. "Physician" means and includes any person holding a valid and unrevoked physician's and surgeon's certificate or certificate to practice medicine and surgery, issued by the Board of Medical Examiners or the Board of Osteopathic Examiners of this State.

"Manufacturer" 4217. "Manufacturer" means a person who derives, produces or prepares drugs. Every manufacturer shall maintain an established place of business; shall keep purchase and use, and sales record; and shall be registered with the board.

"Wholesaler" 4218. "Wholesaler" means a person who supplies drugs that he himself has not derived, produced or prepared, on sales orders for resale but not on prescriptions. Every wholesaler shall maintain an established place of business, shall

keep purchase and sales records and shall be registered with the board.

4219. "Pharmacy" means a pharmacy licensed under the "Pharmacy" provisions of this chapter.

4220. "Laboratory" means a research, teaching or testing laboratory not engaged in the sale of drugs but using hypnotic drugs for scientific or teaching purposes. Every laboratory shall maintain an established place of business; shall keep purchase records and shall be registered with the board. "Laboratory"

4221. "Authorized officers of the law" means legally empowered peace officers including inspectors of the State Board of Pharmacy and of the State Bureau of Food and Drug Inspection. "Authorized officers of the law"

4222. Every person who furnishes any hypnotic drug to any other person shall first obtain from the board an hypnotic license for each separate office, shop, store or other place of business, which license shall expire on the thirty-first day of October and shall be annually renewed. The annual fee for such license shall be five dollars (\$5). Hypnotic license

Every person who obtains an hypnotic license shall, within 15 days of its receipt, furnish the board with a dated inventory of all hypnotic drugs in his possession. A copy of such inventory shall be kept on file in the place of business of the licensee for a period of three years, subject to inspection by authorized officers of the law. Inventory

An hypnotic license is nontransferable. Any person who acquires a business wherein the former owner holds an hypnotic license and possesses any hypnotic drugs, shall file with the board at the time of his application for an hypnotic license an inventory of all hypnotic drugs which are to be acquired by such transfer of ownership. The provisions of this section do not apply when hypnotic drugs are combined or compounded with medicinal drugs which render such combination or compound unfit for hypnotic use. Nontransferable

4223. The board shall supply a book at cost of serially numbered triplicate hypnotic drugs purchase order forms to physicians, dentists, chiropodists, and veterinarians licensed to practice in this State and to each person licensed under the provisions of Section 4222. Forms

4224. Physicians, dentists, chiropodists, veterinarians, and licensees shall execute hypnotic drugs purchase order forms in triplicate, showing date, name of supplier, name and quantity of hypnotics ordered and signature, license number and address of licensee. The original and duplicate orders shall be forwarded to the supplier, who shall forward the duplicate order to the licensing board under which the purchaser is licensed within 30 days after receipt thereof, and the triplicate of the order kept on the file of the purchaser for at least three years. Within a reasonable time after any purchaser except a wholesaler in this State gives any order to, or makes any contract or agreement for purchases from or sales by, any out-of-state person of any hypnotic drug for delivery in Procedure

this State, the purchaser shall forward the original order to the out-of-state person, forward a duplicate of such order, contract or agreement for such purchase to the licensing board under which the purchaser is licensed, and retain a triplicate for not less than three years. The provisions of this section do not apply when hypnotic drugs are combined or compounded with medicinal drugs which render such combination or compound unfit for hypnotic use. Each licensing board shall have exclusive jurisdiction to administer and enforce this section as to its licensees.

Hospitals 4225. In order to provide a supply of hypnotic drugs, as may be needed in any licensed or county hospital which does not employ a pharmacist, the hospital may purchase such drugs on hypnotic drugs purchase order forms in the name of the hospital. The supply is to be made available to a registered nurse, for administration, on the order or direction of a physician, to patients registered in the hospital, or to emergency cases under treatment in the hospital.

Records A record shall be kept of the administration of hypnotic drugs, including the amount given, the type, the date given, and the name and address of the person to whom administered.

Exemptions 4226. This article does not require a license from and shall not apply to or interfere with a physician, dentist, chiropodist or veterinarian in administering hypnotic drugs to his own patients. Such hypnotic drugs shall be administered only by the physician, dentist, chiropodist or veterinarian.

Prescription required 4227. No person shall furnish any dangerous drug, other than any hypnotic drug, except upon the prescription of a physician, dentist, chiropodist or veterinarian.

Exemptions The provisions of this section do not apply to the furnishing of any dangerous drug, other than any hypnotic drug, by a manufacturer or wholesaler or pharmacy to each other or to a physician, dentist, chiropodist or veterinarian or to a laboratory under sales and purchase records that correctly give the date, the names and addresses of the supplier and the buyer, the drug and its quantity.

Prescription or purchase order form No person shall dispense any hypnotic drug except upon the prescription of a physician, dentist, chiropodist or veterinarian, or upon the receipt of a properly executed official hypnotic drug purchase order form.

Records A record of the hypnotic drug administered by any person exempt under Section 4225 shall be kept stating the date, name and address of the patient, name and amount of the drug administered. The provisions of this section with respect to the keeping of records do not apply when hypnotic drugs are combined or compounded with medicinal drugs which render such combination or compound unfit for hypnotic use.

Labels 4228. No person shall dispense any dangerous drug upon prescription except in a container correctly labeled with the date, the name and address and prescription number of the furnisher, the names of the prescriber and of the person for whom prescribed, and the directions for use given by the prescriber.

4229. No prescription for any dangerous drug may be re-filled except upon authorization of the prescriber which may be given orally or at the time of giving the original prescription. Refilling prescriptions

4230. No person shall have in possession any hypnotic drug or any preparation included in subdivision (c) of Section 4211 except that furnished to such person upon the prescription of a physician, dentist, chiropodist, or veterinarian. The provisions of this section do not apply to the possession of any hypnotic drug by a manufacturer, or wholesaler or a pharmacy or physician or chiropodist or dentist or veterinarian or laboratory when in stock in containers correctly labeled with the name and address of the supplier or producer and which has been procured under the hypnotic license issued to them; nor do the provisions of this section apply to the possession of any drug defined in subdivision (c) of Section 4211 by a manufacturer or wholesaler or a pharmacy or physician or chiropodist or dentist or veterinarian or laboratory when in stock in containers correctly labeled with the name and address of the supplier or producer. Possession of drugs
Exemptions

4231. All stock of any dangerous drug of a manufacturer or wholesaler or pharmacy or physician or dentist or chiropodist or veterinarian or laboratory shall be at all times during business hours open to inspection by authorized officers of the law. Inspection of stock

4232. All records of manufacture and of sale or disposition of dangerous drugs shall be at all times, during business hours, open to inspection by authorized officers of the law, and shall be preserved for at least three years from the date of making. Records

4233. Every person who violates any provision of this article, with respect to any hypnotic drug is guilty of a misdemeanor punishable by a fine of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500), or by imprisonment in the county jail not exceeding six months, or by both such fine and imprisonment. Upon a conviction involving a violation respecting hypnotics, the board which granted a professional license to any such defaulter may, institute and maintain proceedings for the revocation or suspension of such license. The proceedings shall be conducted in accordance with the Administrative Procedure Act, Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, and such board shall have all of the powers granted therein. Penalties

4234. Every person who violates any provision of this article by use of a minor as an agent or by unlawfully furnishing any hypnotic or dangerous drug to a minor shall be punished as for contributing to the delinquency of such minor. Minors

4235. Every person who violates any provision of this article with respect to any dangerous drug other than a hypnotic drug is guilty of a misdemeanor. Penalties

4236. All fines collected for violations of the provisions of this article shall be paid one-half into the State Treasury to the credit of the Contingent Fund of the Board of Pharmacy and one-half to the treasurer of the jurisdiction in which the mis- Disposition of fines

demeanor is prosecuted, to be deposited in the same fund as fines for other misdemeanors occurring in that jurisdiction are deposited.

Forged, etc.,
prescription

4237. Every person who forges or increases the quantity of dangerous drugs in any prescription or who issues a prescription bearing a forged or fictitious signature for any dangerous drug as defined herein, or who obtains any dangerous drug by any forged, fictitious, or altered prescription, or who has in possession any dangerous drug secured by such forged, fictitious, or altered prescription, shall for the first offense be punished by a fine of not less than one hundred dollars (\$100) and not more than five hundred dollars (\$500), and for each subsequent offense shall be imprisoned in the county jail for not less than six months nor more than one year, or in the state prison for not more than six years.

Penalty

Suspension,
etc., of
license

4238. A conviction of the violation of any of the provisions of this article shall constitute grounds for the suspension or revocation of any license issued to such person under any of the provisions of the Business and Professions Code of the State of California or under the provisions of this article.

Proceedings

The proceedings for suspension or revocation shall be conducted in accordance with the Administrative Procedure Act, Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code.

Administra-
tion
Rules

4239. The board shall administer and enforce this article.

4240. The board, if after open hearing following due notice to persons who have filed written requests for such notice to the board it shall find any drug to be dangerous to the public health or safety, may make other rules, not inconsistent with this division, limiting or restricting the furnishing of such drug. Any violation of any such rule shall be punished in the same manner as is respectively provided in Sections 4233, 4234 and 4235.

Notice of
adoption
of rules

4241. Notice of the adoption of any further rules by the board shall be given to interested parties and no person shall be subject to any prosecution for violating any such rules until the board has given due public notice of the adoption of such rules.

Copies of
laws, etc.

4242. The board shall upon request furnish any person with a copy of the laws or regulations relating to dangerous drugs, the furnishing or possession of which is restricted by this article or by further rules of the board.

Article 9. Prophylactics

Construction

4300. Definitions of terms in this article shall not affect the construction of the same terms elsewhere in this code.

"Prophy-
lactic"

4301. "Prophylactic" includes any device, appliance or medicinal agent used in the prevention of venereal disease.

"Whole-
saler"

4302. "Wholesaler" includes any person operating as a wholesale druggist, manufacturer or surgical supply house, recognized by the board through the granting of a license to sell prophylactics for purpose of resale.

4303. "Retailer" includes any person operating a pharmacy recognized by the board through the granting of a license to sell prophylactics for use in the prevention of venereal disease. "Retailer"

4304. Disposition of prophylactics by physicians are exempt from this article when such disposition is made in the regular practice of their profession and to their patients, in the manner specified for a licensee. Disposition

4305. The board shall issue wholesale and retail licenses to persons qualifying under this article. The fee for a wholesale license shall be fifty dollars (\$50) and the fee for a retail license shall be two dollars (\$2). Licenses issued under this article may be transferred with the written consent of the board. A separate license shall be obtained by the licensee for each separate location where prophylactics are sold by him. Licenses, fees

4306. A retail license shall be issued only to pharmacies and general dealers in rural districts holding permits or licenses issued by the board, under the provisions of this chapter. Retail license

4307. Every license issued or renewed under this chapter after October 31, 1955, shall expire November 1, 1956, and annually thereafter on November 1st of each calendar year. The penalty for failure to pay the annual renewal fee may be fixed by the board at an amount not to exceed 100 percent of such renewal fee. Renewal

4308. The board may revoke the license of any licensee who violates any provision of this article. Revocation

4309. No person shall hold both a wholesale and retail license for any one address or location. Location

4310. All sheath prophylactics shall be nonporous, and shall bear the manufacturer's name, address and trade-mark. Such name, address and trade-mark shall have previously been registered with the board by the manufacturer. Sheath prophylactics

4311. All prophylactics shall be constructed of such material that their efficacy shall not be destroyed by the application of lubricants commonly used in connection therewith, including prophylactic ointments, petroleum jellies, mineral oils, or lubricating creams. Construction

4312. The board shall adopt and promulgate from time to time, and shall have jurisdiction over, the establishing of such standards relating to and governing prophylactics as are deemed necessary by it in the interest of disease prevention. Standards

4313. The board shall seize any prophylactic not conforming to the standard under this article. Seizure

4314. No person other than a licensee under this article shall sell, give away or otherwise dispose of prophylactics. Such licensee may dispose of prophylactics only under the conditions specified in this article. Disposition

4315. Licensed wholesalers may sell in the usual manner of conducting sales at wholesale, but only to other licensees. Such wholesalers shall place upon the invoice in connection Wholesalers

with such sale the license number of the purchaser and their own license numbers.

4316. The manufacturer who has a wholesaler license shall follow the rule of this article regulating sales by wholesalers in selling to either a wholesale or a retail licensee under this article.

Manufacturer's name, address, etc. 4317. No licensed wholesaler shall sell any prophylactics unless such prophylactics bear the manufacturer's name, address and trade-mark.

Physicians 4318. Nothing in this article prevents a licensed wholesaler from selling prophylactics to physicians.

Retailer 4319. A licensed retailer may sell to other licensees, to physicians or upon their order, to any married person or to any other person over 18 years of age.

Place of sale 4320. Sales of prophylactics by a licensed retailer shall be confined to the place of business for which his license has been granted. Deliveries of prophylactics may be made to purchasers by such retailer or his agent to any designated address.

When prescription required 4321. No licensed retailer shall sell any prophylactic except upon a prescription, unless such prophylactics specifically identifies the manufacturer thereof.

Displays 4322. No person shall display or expose for sale any prophylactic, or any containers or packages containing or advertising prophylactics.

Devices, etc 4323. The use of any mechanical device or vending machine in connection with the sales or disposition of prophylactics is unlawful. The board shall seize any mechanical device or vending machine containing any prophylactic. The owner of such machine, and the occupier of the premises where seizure is made, may be charged with a violation of this article.

Deposit of fees, fines 4324. The amount of all fees and one-half of all fines collected under this article shall be reported each month for the month preceding to the State Controller and at the same time such amount shall be paid into the State Treasury and shall be credited to the Pharmacy Board Contingent Fund. The other one-half of fines collected under this article shall be deposited in the general fund of the county or city whose funds are used for the support of the court in which the prosecution was had.

Penalty 4325. Any person who violates any provision of this article is guilty of a misdemeanor.

Article 10 Certificates, Information and Records

Information 4330. When called upon by an officer, a member of the board or a duly authorized inspector, the owner or manager of any pharmacy or other store retailing drugs, medicines or poisons shall furnish the officer, member or inspector with the names of the owner or owners, manager or managers and employees together with a brief statement of the capacity in which these persons are employed in the store.

Any person refusing to furnish the information, or wilfully furnishing information that is false or untrue is guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not less than twenty dollars (\$20), nor more than fifty dollars (\$50), or by imprisonment for not less than 10 days and not more than 35 days, or by both such fine and imprisonment. Penalty

4331. All prescriptions filled shall be kept on file and open for inspection by duly constituted authorities for a period of at least two years, and any person who wilfully fails to do so is guilty of a misdemeanor, and upon conviction thereof shall be liable to a fine of not exceeding fifty dollars (\$50), and for each subsequent offense shall be liable to a fine of not less than fifty dollars (\$50), and not more than one hundred dollars (\$100). Records
Penalties

Article 11. Disciplinary Proceedings

4350. The board may revoke and suspend certificates issued under the provisions of this chapter upon the grounds provided by this article. The proceedings under this article shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted therein. Revocation
and
suspension

4351. The making of false affidavits in reference to his experience or the experience of any other person applying for registration by the holder of any certificate constitutes a ground for the temporary or permanent revocation of his certificate by the board. False
affidavits

4352. The fact that the holder of any certificate becomes or is intoxicated or under the influence of liquor or hypnotics while on duty constitutes a ground for the suspension or revocation of his certificate by the board. Intoxication,
influence of
hypnotics

4353. The habitual use of narcotic drugs by the holder of any certificate constitutes a ground for the suspension or revocation of his certificate issued by the board. Narcotics
use

4354. The conviction of the holder of any certificate of a crime involving moral turpitude, or embezzlement or larceny, subsequent to the procuring of his certificate in any court having legal jurisdiction constitutes a ground for the suspension or permanent revocation of his certificate by the board. Crime
involving
moral turpitude, etc

The certified copy of such conviction shall constitute conclusive evidence for the purpose of revocation or suspension of such license.

4355. The adjudication of insanity or incompetency or commitment under any of the provisions of Division 6 of the Welfare and Institutions Code or under any of the provisions of Division 4 of the Probate Code or the adjudication of insanity or incompetency by any federal court of competent jurisdiction constitutes a ground for the temporary suspension or revocation of a certificate by the board. Insanity, etc

Intemper-
ance, etc.

4356. Habitual intemperance or gross immorality constitutes grounds for suspension or revocation of a certificate of registration.

Violation of
provisions

4357. The violating or attempting to violate, directly or indirectly, or assisting in or abetting the violation of or conspiring to violate any provisions or terms of this chapter, or of any laws governing pharmacy, or of the rules and regulations promulgated by the board, shall constitute grounds for the suspension or revocation of any certificate, license or permit issued by the board.

Violation of
narcotic
laws

4358. Conviction of a charge of violation of the Harrison Narcotic Act or the conviction for violation of the State Narcotic Act shall be grounds for the suspension or revocation of any certificate, license or permit issued under this chapter. The record of the conviction shall be conclusive evidence for action by the board.

Penalties

4359. The board shall discipline the holder of any certificate, license or permit issued by the board, whose default has been entered or who has been heard by the board and found guilty, by any of the following methods:

(a) Suspending judgment.

(b) Placing him upon probation.

(c) Suspending his right to practice for a period not exceeding one year.

(d) Revoking his certificate.

(e) Taking such other action in relation to disciplining him as the board in its discretion may deem proper.

Reinstatement.

4360. A person whose certificate has been revoked or suspended for more than one year, may petition the board to reinstate the certificate after a period of not less than one year has elapsed from the date of the revocation or suspension.

The petition shall state such facts as may be required by the board. The petition shall be accompanied by two or more verified recommendations from pharmacists licensed by the board to which the petition is addressed and by two or more recommendations from citizens each having personal knowledge of the activities of the petitioner since the disciplinary penalty was imposed. The petition shall be heard at the next regular meeting of the board, held not earlier than 30 days after the petition was filed. The hearing may be continued from time to time as the board finds necessary. No petition shall be considered while the petitioner is under sentence for any criminal offense, including any period during which he is on probation or parole.

Investigation
of activities

In determining whether the disciplinary penalty should be set aside and the terms and conditions, if any, which should be imposed if the disciplinary penalty is set aside, the board may investigate and consider all activities of the petitioner since the disciplinary action was taken against him, the offense for which he was disciplined, his activity during the time his certificate was in good standing, and his general reputation for truth, professional ability and good character. The affirmative

vote of at least five members of the board is necessary to set aside a penalty and to restore a certificate with or without terms, conditions and restrictions.

The executive secretary shall enter in his records of the case all actions of the board in setting aside a disciplinary penalty under this section, and he shall certify notices to the Department of Professional and Vocational Standards. The Department of Professional and Vocational Standards shall make such changes on its records as may be necessary. Records

Article 12. Prohibitions and Offenses Against the Chapter, Generally

4380. At any time, when in its judgment it appears advisable, the board may depute one of its members, or any other competent person, to investigate any suspected violation of any of the provisions of this chapter. If the result of such investigation seems to the board to justify such action, the board shall cause the prosecution of any person violating any of the provisions of this chapter. Investigations

4381. The several penalties prescribed in this chapter may be recovered in any court having jurisdiction, by a civil action instituted by the board in the name of the State of California, or by criminal prosecution upon complaint being made. Recovery of penalties

The district attorney of the county wherein violations of the provisions of this chapter occur shall conduct all such actions and prosecutions at the request of the board.

4382. Any person violating any of the provisions of this chapter, when no other penalty is provided, is guilty of a misdemeanor, and upon conviction thereof shall be liable to punishment by a fine of not less than fifty dollars (\$50), and not more than five hundred dollars (\$500), or by imprisonment of not less than 30 days or exceeding six months, or by both such fine and imprisonment. Penalties

4383. Any person convicted of violating the provisions of this chapter the third time shall, in addition to the penalties otherwise provided, have his registration as a pharmacist canceled by the magistrate passing sentence upon the third conviction. Within the meaning of this section, convictions under the provisions of Chapter 406 of the Statutes of 1905, relating to pharmacy, shall constitute convictions under the provisions of this chapter. Cancellation of registration

Any person having his certificate so canceled may, after the expiration of one year thereafter, make a new application for registration to the board. The board may refuse to register such applicant, or may register such applicant upon examination, or upon such terms and conditions as it may prescribe.

4384. Any person who attempts to secure or secures registration for himself or any other person under this chapter by making or causing to be made any false representations, or who fraudulently represents himself to be registered, is guilty of a misdemeanor, and upon conviction thereof shall be liable to punishment by a fine not exceeding one hundred dollars False representations

(\$100), or by punishment for a term not exceeding 50 days, or by both such fine and imprisonment.

Unlawful
consent
to sale, etc.

4385. Any person who permits the compounding of prescriptions of medical practitioners, or the selling of drugs in his store or pharmacy, except by a registered pharmacist, unless the same is expressly permitted by law, is guilty of a misdemeanor, and upon conviction thereof shall be punished as provided in this chapter.

Failure to
have phar-
macist in
charge

4386. Any proprietor of a pharmacy, who fails, or neglects to place in charge of such pharmacy a registered pharmacist, or any proprietor, who by himself, or by any other person, permits the compounding of prescriptions, or the vending of drugs or poisons, in his store or place of business, except by a registered pharmacist, is guilty of a misdemeanor, and upon conviction thereof shall be punished as provided in this chapter.

Supervision
by nonphar-
macist

4387. Any person, not being a registered pharmacist, who takes charge of, or acts as manager of any pharmacy or store, or who, not being a registered pharmacist retails, compounds, or dispenses drugs or poisons is guilty of a misdemeanor, and upon conviction thereof shall be punished as provided in this chapter.

Intoxica-
tion etc

4388. Any person, who, while on duty, sells, dispenses or compounds any drug while under the influence of intoxicating liquor or narcotic or hypnotic drug shall be guilty of a misdemeanor.

Violation of
sanitary
rules

4389. Any person violating any rule or regulation adopted by the board relating to the sanitary condition of any establishment or person licensed by the board or of any establishment manufacturing, preparing or compounding any drug is guilty of a misdemeanor and upon conviction thereof shall be liable to punishment by a fine of not less than one hundred dollars (\$100) or more than five hundred dollars (\$500) or by imprisonment for not less than 60 days, or by both such fine and imprisonment.

Forged, etc.,
prescriptions

4390. Every person who signs the name of another, or of a fictitious person, knowing he has no authority so to do, or falsely makes, alters, forges, utters, publishes, passes, or attempts to pass, as genuine, any prescription for any drugs, narcotics or poisons is guilty of a forgery and upon conviction thereof shall be punished by imprisonment in the state prison for not less than one year nor more than 14 years, or by imprisonment in the county jail for not more than one year.

Advertising

4391. No store or shop shall use any words or combination of words enumerated in Section 4035 in any advertisement or display unless a registered pharmacist is in charge.

Penalty for
sales with-
out license

4392. Any person who sells or offers for sale without a license any of the drugs, nostrums, ointments, or appliances described in Section 4120, is guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not less than one hundred dollars (\$100) nor more than two hundred fifty dollars (\$250), or by imprisonment in the county jail for

not less than 50 days nor more than 120 days, or by both such fine and imprisonment.

Article 13. Revenue

4410. Every person holding a certificate from the board shall renew annually his registration with the board. Every registered pharmacist who desires to retain his registration on the books of the board shall annually, after the expiration of the first year's registration and on or before the first day of July of each succeeding year, pay to the executive secretary of the board the renewal fee, fixed by the board, within the limits prescribed by this chapter. In return for the payment of the renewal fee, a renewal certificate of registration shall be issued. Renewal fees

4411. In case any person defaults in payment of the renewal fee, his registration may be revoked by the board on 60 days' notice in writing from the executive secretary of the board, unless within this time the fee is paid, together with such penalty, not exceeding the amount fixed in this chapter, as the board may impose. Upon payment of the fee and penalty the board shall reinstate the delinquent's registration. Default

4412. All fines recoverable under this chapter shall be paid by the magistrate receiving the same to the board, except where other provision is made in this chapter for the disposition thereof. Disposition of fines

4413. All compensation of members and all other expenses of the board shall be paid out of the examination and registration fees and fines. Expenses

4414. All fees collected on behalf of the board and all receipts of every kind and nature shall be reported each month for the month preceding to the State Controller and at the same time the entire amount shall be paid into the State Treasury and shall be credited to the Pharmacy Board Contingent Fund. This contingent fund shall be for the use of the board and out of it and not otherwise shall be paid all expenses of the board. Report of moneys collected

4415. The amount of the fees for investigation and examination of applicants for registration together with the amount of any additional fee to be paid upon the issuance of a certificate is that fixed by the schedule in Section 4416. Amount of fees

4416. The amount of fees and penalties prescribed by this chapter, except as otherwise provided, is that fixed by the following schedule: Fee schedule

(a) The fee for a permit to conduct a pharmacy shall be fixed by the board at an amount not to exceed twelve dollars (\$12) for each pharmacy.

(b) The annual fee for renewal of the permit to conduct a pharmacy shall be fixed by the board at an amount not to exceed twelve dollars (\$12) for each pharmacy.

(c) The annual fee for a permit for a general dealer in a rural district is five dollars (\$5).

(d) The fee for any applicant for registration is twenty-five dollars (\$25).

(e) The additional fee for the issuance of a certificate to a registered pharmacist, who is found by the board to be entitled to a certificate, is fifteen dollars (\$15).

(f) The fee for the reissuance of a certificate is five dollars (\$5).

(g) The annual renewal fee for a registered pharmacist may be fixed by the board at an amount not to exceed the sum of eight dollars (\$8).

(h) The fee for a wholesaler is five dollars (\$5).

(i) The fee for a manufacturer is five dollars (\$5).

(j) The fee for a hypodermic license is one dollar (\$1).

(k) The annual fee for hypnotic license is five dollars (\$5).

(l) The penalty for failure to pay any annual renewal fee may be fixed by the board at an amount not to exceed the sum of ten dollars (\$10).

CHAPTER 551

An act to add Sections 4036.5 and 4046 to the Business and Professions Code, relating to pharmacy.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4036.5 is added to the Business and Professions Code, to read:

4036.5. In recognition of and consistent with the decisions of the appellate courts of this State, the Legislature hereby declares the practice of pharmacy to be a profession.

SEC. 2. Section 4046 is added to said code, to read:

4046. In recognition of and consistent with the decisions of the appellate courts of this State, the Legislature hereby declares the practice of pharmacy to be a profession.

Effect
Stats. 1955,
Ch. 550

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4036.5 of the Business and Professions Code, as added to said code by this act, is repealed.

CHAPTER 552

An act to amend Sections 4009 and 4008 of the Business and Professions Code, relating to pharmacy.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4009 of the Business and Professions Code is amended to read:

4009. The board may make such rules and regulations not inconsistent with the laws of this State, as may be necessary for the protection of the public. Included therein shall be the right to make rules and regulations as follows: For the proper and more effective enforcement and administration of this chapter pertaining to the practice of pharmacy; regulating the sale of poisons; relating to the sanitation of all establishments or persons licensed under the provisions of this chapter; pertaining to establishments wherein any drug or medicine is manufactured, compounded, prepared or sold; and providing for standards of minimum equipment of establishments licensed by the board; pertaining to the sale of drugs by or through any mechanical device.

SEC. 2. Section 4008 of said code is amended to read:

4008. The board may make such rules and regulations, not inconsistent with the laws of this State as may be necessary for the protection of the public. Included therein shall be the right to make rules and regulations as follows: For the proper and more effective enforcement and administration of this chapter; pertaining to the practice of pharmacy; regulating the sale of poisons; relating to the sanitation of persons and establishments licensed under the provisions of this chapter; pertaining to establishments wherein any drug is compounded, prepared or sold; providing for standards of minimum equipment of establishments licensed under the provisions of this chapter; pertaining to the sale of drugs by or through any mechanical device.

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4009 of the Business and Professions Code, as amended by this act, is repealed.

Effect
Stats 1955.
Ch. 550

CHAPTER 553

An act to amend Sections 4012 and 4010 of the Business and Professions Code, relating to pharmacy.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4012 of the Business and Professions Code is amended to read:

4012. The board may employ inspectors of pharmacy and may inspect, during business hours, all pharmacies, dispensaries, stores or places in which drugs, medicines, and poisons are compounded, dispensed or retailed. Inspectors of pharmacy, except inspectors of pharmacy who are in the employ of the board on July 15, 1955, whose principal duties are

the inspection of pharmacies, and premises operated or conducted by a manufacturer or wholesaler, shall be registered pharmacists.

SEC. 2. Section 4010 of said code is amended to read:

4010. The board may employ inspectors of pharmacy. The members of the board and inspectors of pharmacy may inspect, during business hours, all pharmacies, dispensaries, stores or places in which drugs or poisons are compounded, dispensed or sold. Inspectors of pharmacy, except inspectors of pharmacy who are in the employ of the board on July 15, 1955, whose principal duties are the inspection of pharmacies, and premises operated or conducted by a manufacturer or wholesaler, shall be registered pharmacists.

Effect
Stats 1955,
Ch 550

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4012 of the Business and Professions Code, as amended by this act, is repealed.

CHAPTER 554

An act to repeal Sections 4033 and 4038 of, and to add Sections 4033 and 4038 to, the Business and Professions Code, relating to pharmacy.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4033 of the Business and Professions Code is repealed.

SEC. 2. Section 4033 is added to said code, to read:

4033 "Wholesaler" means and includes every person, except a pharmacy or manufacturer who acts as a jobber, wholesale merchant, broker or agent, who sells or distributes for resale, any drug other than those enumerated in Sections 4032 and 4044.

SEC. 3. Section 4038 of said code is repealed.

SEC. 4. Section 4038 is added to said code, to read:

4038. "Wholesaler" means and includes every person, except a pharmacy or manufacturer who acts as a jobber, wholesale merchant, broker or agent, who sells or distributes for resale, any drug other than those enumerated in Sections 4052 and 4057.

Effect
Stats 1955,
Ch 550

SEC. 5. Sections 3 and 4 of this act become operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4033 of the Business and Professions Code, as added to said code by this act, is repealed.

CHAPTER 555

An act to repeal Sections 4033.1 and 4034 of, and to add Sections 4033.1 and 4034 to, the Business and Professions Code, relating to pharmacy.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4033.1 of the Business and Professions Code is repealed.

SEC. 2. Section 4033.1 is added to said code, to read:

4033.1. "Manufacturer" means and includes every person, excepting a pharmacy, who prepares, derives, produces, compounds, or repackages any drug.

SEC. 3. Section 4034 of said code is repealed.

SEC. 4. Section 4034 is added to said code, to read:

4034. "Manufacturer" means and includes every person, excepting a pharmacy, who prepares, derives, produces, compounds, or repackages any drug.

SEC. 5. Sections 3 and 4 of this act become operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4033.1 of the Business and Professions Code, added to said code by this act, is repealed.

Effect
Stats 1955,
Ch 550

CHAPTER 556

An act to repeal Sections 4035 of the Business and Professions Code, and to add Sections 4035 to the Business and Professions Code, relating to pharmacy.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4035 of the Business and Professions Code is repealed.

SEC. 2. Section 4035 is added to said code, to read:

4035. "Pharmacy" means and includes every store or shop or other place where (1) drugs are dispensed, or sold at retail, or displayed for sale at retail; or (2) where prescriptions are compounded or dispensed; or (3) which has upon it or displayed within it, or affixed to or used in connection with it, a sign bearing the word or words "Pharmacist," "Pharmacy," "Apothecary," "Drug Store," "Druggist," "Drugs," "Medicines," "Medicine Store," "Drug Sundries," "Remedies," or any word or words of similar or like import; or (4) any store or shop or other place with respect to which any of

the words enumerated in subdivision (3) are used in any advertisement.

SEC. 3. Section 4035 of the Business and Professions Code is repealed.

SEC. 4. Section 4035 is added to said code, to read:

4035. "Pharmacy" means and includes every store or shop or other place where (1) drugs are dispensed, or sold at retail, or displayed for sale at retail; or (2) where prescriptions are compounded or dispensed; or (3) which has upon it or displayed within it, or affixed to or used in connection with it, a sign bearing the word or words "Pharmacist," "Pharmacy," "Apothecary," "Drug Store," "Druggist," "Drugs," "Medicines," "Medicine Store," "Drug Sundries," "Remedies," or other word or words of similar or like import; or (4) any store or shop or other place with respect to which any of the words enumerated in subdivision (3) are used in any advertisement.

Effect
Stats 1955,
Ch 550

SEC. 5. Sections 3 and 4 of this act become operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4035 of the Business and Professions Code, as added to said code by Section 2 of this act, is repealed.

CHAPTER 557

An act to add Sections 4033.5 and 4045 to the Business and Professions Code, relating to pharmacy.

In effect
September
7, 1955

[Approved by Governor May 16, 1955 Filed with
Secretary of State May 16, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 4033.5 is added to the Business and Professions Code, to read:

4033.5. "Chemical" or "chemicals" includes all chemicals intended for use in the cure, mitigation, treatment, or prevention of disease in man or other animals, but does not include chemicals used for any other purpose.

SEC. 2. Section 4045 is added to said code, to read:

4045. "Chemical" or "chemicals" includes all chemicals intended for use in the cure, mitigation, treatment, or prevention of disease in man or other animals, but does not include chemicals used for any other purpose.

Effect
Stats 1955
Ch 550

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4033.5 of the Business and Professions Code, as added by this act, is repealed.

CHAPTER 558

An act to amend Sections 4048 and 4036 of the Business and Professions Code, relating to pharmacy.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4048 of the Business and Professions Code is amended to read:

4048. "Prescription" means an order given individually for the person for whom prescribed, directly from the prescriber to the furnisher, or indirectly by means of a written order signed by the prescriber, and shall bear the name and address of the prescriber, his license classification, the name and address of the patient, the name and quantity of the drug or medicine prescribed, the directions for the use, and the date of issue. No person other than a physician, dentist, chiroprapist or veterinarian shall prescribe or write a prescription.

SEC. 2. Section 4036 of said code is amended to read:

4036. "Prescription" means an order given individually for the person for whom prescribed, directly from the prescriber to the furnisher, or indirectly by means of a written order, signed by the prescriber, and shall bear the name and address of the prescriber, his license classification, the name and address of the patient, the name and quantity of the drug prescribed, directions for use, and the date of issue. No person other than a physician, dentist, chiroprapist or veterinarian shall prescribe or write a prescription.

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4048 of the Business and Professions Code as amended by this act is repealed.

Effect.
Stats. 1955
Ch 550

CHAPTER 559

An act to add Sections 4237 and 4393 to the Business and Professions Code, relating to pharmacy.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 16, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4237 is added to the Business and Professions Code, to read:

4237. No manufacturer or wholesaler shall sell, offer for sale, or deliver any drugs, other than those drugs referred to in Sections 4032, 4042, and 4044 of this code, to any person not authorized by law to handle, sell or deal in such drugs.

SEC. 2. Section 4393 is added to said code, to read:

4393. No manufacturer or wholesaler shall sell, offer for sale, or deliver any drugs, other than those drugs referred to in Sections 4052, 4055, and 4057 of this code, to any person not authorized by law to handle, sell or deal in such drugs.

Effect
Stats 1955,
Ch 550

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said bill takes effect, at which time Section 4237 of the Business and Professions Code as added by Section 1 of this act is repealed.

CHAPTER 560

An act to amend Section 677 of the Agricultural Code, relating to milk and dairy products.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with Secretary of State May 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 677 of the Agricultural Code is amended to read:

Butter

677. (a) Every person, before engaging in the business of cutting and wrapping butter, in addition to the factory license, shall obtain and hold a butter cutting and wrapping permit and all persons distributing butter received in packaged form direct from out-of-state points shall obtain a butter distributor's permit from the director for each plant or place of business. Every permittee engaging in the business of cutting and wrapping butter shall pay a fee amounting to one dollar (\$1), plus twenty cents (\$.20) for each 1,000 pounds, or part thereof, over and above the first 5,000 pounds of butter cut and wrapped during each of the three-month periods ending February 28th, May 31st, August 31st, and November 30th, and such fees shall be paid to the director during the first week of March, June, September, and December, respectively.

Every permittee engaged in the business of distributing butter in accordance with the provisions of this section shall pay a fee amounting to one dollar (\$1), plus twenty cents (\$.20) for each 1,000 pounds, or part thereof, over and above the first 5,000 pounds of butter distributed during each of the three-month periods ending February 28th, May 31st, August 31st, and November 30th, and such fees shall be paid to the director during the first week of March, June, September, and December, respectively.

The fees required by this subdivision shall not apply to United States Government owned butter cut and wrapped in this State nor to butter cut and wrapped in this State for export to points outside the continental United States.

(b) Persons in charge of cutting, wrapping, packaging, or distributing butter, or supervisors thereof who shall be responsible for the grading of butter shall obtain and hold a butter grader's license. Application for such license shall be made to the director who shall examine each applicant as to his qualifications and knowledge of butter grades and of the law applicable to him. The fee for a butter grader's license shall be one dollar (\$1) and must accompany the application. All such licenses expire on the thirty-first day of December and may be renewed by payment of a renewal fee of one dollar (\$1).

CHAPTER 561

An act to amend Sections 73682, 73683, and 73684 of the Government Code, relating to officers and attaches of the municipal court in a district embracing the City of Fresno.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 73682 of the Government Code is amended to read:

73682. There shall be one clerk to be appointed by the judges of the court in the manner provided by law who shall be the secretary of the court. He shall receive a minimum salary of four hundred three dollars (\$403) a month with increments of twenty-three dollars (\$23) after six months of service, twenty-four dollars (\$24) after one and one-half years, twenty-six dollars (\$26) after two and one-half years, and twenty-seven dollars (\$27) to a maximum salary of five hundred three dollars (\$503) after four and one-half years of service.

Court
secretary
Salary

SEC. 2. Section 73683 of said code is amended to read:

73683. The clerk may appoint:

(a) One assistant clerk who shall receive a minimum salary of three hundred twenty-two dollars (\$322) a month with increments of nineteen dollars (\$19) after six months of service, nineteen dollars (\$19) after one and one-half years, twenty-one dollars (\$21) after two and one-half years, and twenty-two dollars (\$22) to a maximum salary of four hundred three dollars (\$403) after four and one-half years of service.

Salaries
of clerks
Assistant
clerk

(b) One legal process clerk who shall receive a minimum salary of three hundred five dollars (\$305) a month with increments of seventeen dollars (\$17) after six months of service, nineteen dollars (\$19) after one and one-half years, nineteen dollars (\$19) after two and one-half years, and twenty-one dollars (\$21) to a maximum salary of three hundred eighty-one dollars (\$381) after four and one-half years of service.

Legal proc-
ess clerk

(c) Four clerks IV, each of whom shall receive a minimum salary of two hundred eighty-eight dollars (\$288) a month with increments of seventeen dollars (\$17) after six months of

Clerks IV

service, seventeen dollars (\$17) after one and one-half years, nineteen dollars (\$19) after two and one-half years, and nineteen dollars (\$19) to a maximum salary of three hundred sixty dollars (\$360) after four and one-half years of service.

Senior
account
clerk

(d) One senior account clerk who shall receive a minimum salary of two hundred seventy-three dollars (\$273) a month with increments of fifteen dollars (\$15) after six months of service, seventeen dollars (\$17) after one and one-half years, seventeen dollars (\$17) after two and one-half years, and nineteen dollars (\$19) to a maximum salary of three hundred forty-one dollars (\$341) after four and one-half years.

Senior clerk

(e) One senior clerk who shall receive a minimum salary of two hundred fifty-eight dollars (\$258) a month with increments of fifteen dollars (\$15) after six months of service, fifteen dollars (\$15) after one and one-half years, seventeen dollars (\$17) after two and one-half years, and seventeen dollars (\$17) to a maximum salary of three hundred twenty-two dollars (\$322) after four and one-half years of service.

Clerks III

(f) Two clerks III, each of whom shall receive a minimum salary of two hundred forty-four dollars (\$244) a month with increments of fourteen dollars (\$14) after six months of service, fifteen dollars (\$15) after one and one-half years, fifteen dollars (\$15) after two and one-half years, and seventeen dollars (\$17) to a maximum salary of three hundred five dollars (\$305) after four and one-half years of service.

SEC. 3. Section 73684 of said code is amended to read :

73684. The clerk may also appoint:

Intermediate
stenog-
rapher
clerk

(a) Two intermediate stenographer clerks, each of whom shall receive a minimum salary of two hundred thirty-one dollars (\$231) a month with increments of thirteen dollars (\$13) after six months of service, fourteen dollars (\$14) after one and one-half years, fifteen dollars (\$15) after two and one-half years, and fifteen dollars (\$15) to a maximum salary of two hundred eighty-eight dollars (\$288) after four and one-half years of service.

Clerks II

(b) Fourteen clerks II, each of whom shall receive a minimum salary of two hundred eighteen dollars (\$218) a month with increments of thirteen dollars (\$13) after six months of service, thirteen dollars (\$13) after one and one-half years, fourteen dollars (\$14) after two and one-half years, and fifteen dollars (\$15) to a maximum salary of two hundred seventy-three dollars (\$273) after four and one-half years of service.

Clerks I

(c) Four clerks I, each of whom shall receive a minimum salary of one hundred ninety-five dollars (\$195) a month with increments of eleven dollars (\$11) after six months of service, twelve dollars (\$12) after one and one-half years, thirteen dollars (\$13) after two and one-half years, and thirteen dollars (\$13) to a maximum salary of two hundred forty-four dollars (\$244) after four and one-half years of service.

CHAPTER 562

An act to amend Sections 7666 and 7686.5 of the Business and Professions Code, relating to funeral directors and embalmers.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7666 of the Business and Professions Code is amended to read:

7666. Term of Apprenticeship. (a) Shall be two years except as provided in Section 7643 of this code; provided, however, that if an apprentice after having served his apprenticeship fails to pass the examination for an embalmer's license he may register for one additional term of apprenticeship, which shall be the maximum apprenticeship permitted.

Term of ap-
prenticeship

(b) May be served before, after, or divided by the embalming college course at the option of the apprentice; provided, however, that the term of apprenticeship must be completed within five (5) years, excluding time spent in active military service, after an applicant for embalmer's license shall have successfully passed the examination required in Section 7646 of this code; and provided further, that if the term of apprenticeship is not completed within the five (5) year period, the board may require that the applicant serve such additional term of apprenticeship, not to exceed two (2) years, and pass such additional examination on the subjects listed in Section 7646 of this code as the board considers necessary.

(c) A student attending an embalming college may register as an apprentice during his college term but shall receive no credit for such apprenticeship on the term required by this code.

(d) An apprentice while serving his required term of apprenticeship shall be a full-time employee in the funeral establishment wherein he is employed.

SEC. 2. Section 7686.5 of said code is amended to read:

7686.5. All accusations against licensees shall be filed with the board within one year after the performance of the act or omission alleged as the ground for disciplinary action; provided, however, that the foregoing provision shall not constitute a defense to an accusation alleging fraud or misrepresentation as a ground for disciplinary action. The cause for disciplinary action in such case shall not be deemed to have accrued until discovery, by the board, of the facts constituting the fraud or misrepresentation, and, in such case, the accusation shall be filed within two years after such discovery.

Accusations
Statute of
limitations

CHAPTER 563

An act to add Section 748.5 to the Code of Civil Procedure, relating to quiet title actions.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 748.5 is added to the Code of Civil Procedure, to read:

748.5. Whenever a proposal to dedicate land for public improvement has been heretofore or hereafter made by map only, without any acceptance of the dedication being endorsed thereon, and the land has not been used for the purpose for which the dedication was proposed for a period of 25 years, and the property has been subsequently sold to a third person, after the filing of the map, and used as if free of the dedication, there is a conclusive presumption that the proposed dedication was not accepted, and in a suit to quiet title to such land naming the governmental agency to which the dedication was made by map as defendant, the decree in favor of the plaintiff shall clear the title of the proposed dedication and remove the cloud created by the proposed dedication.

CHAPTER 564

An act to add Section 29332 to the Government Code, relating to a stores purchase revolving fund for counties.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 29332 is added to the Government Code, to read:

29332 In any county having more than 50,000 population, the board of supervisors may establish a revolving fund to be used by the purchasing agent, or other authorized officer, to maintain a stock of general office supplies for the use of the several county departments. The fund shall not exceed five thousand dollars (\$5,000). In all other respects, the provisions of this article shall apply to the revolving fund provided for in this section.

CHAPTER 565

*An act to add Section 18 to Chapter 63 of the Statutes of 1880,
relating to protection districts.*

[Approved by Governor May 16, 1955 Filed with
Secretary of State May 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 18 is added to Chapter 63 of the Statutes of 1880, to read:

Sec. 18. (a) If all of the territory in the district is located entirely within one county, the board may furnish to the board of supervisors, on or before the date set for consideration of the budget, an estimate in writing of the amount of money needed for payment of all expenses by the district in lieu of levying an assessment as provided in Section 7 of this act.

The board of supervisors, upon receipt of the estimate from the board, shall levy a special tax on all real property shown on the county tax roll as lying within the district, sufficient to raise the estimated sum.

The tax shall be computed, entered upon the tax rolls, and collected in the same manner as county taxes are computed, entered and collected. The tax shall be collected together with, and not separate from, the regular county tax.

All money so collected shall be paid into the county treasury to the credit of the district, and shall be held by the county treasurer for the benefit of the district and paid out by him upon warrants authorized by the board.

(b) If the territory in the district is located in two or more counties, the county auditor of each county in which there is district land shall, upon request by the board of trustees transmit, on or before the second Monday in August, to the board of trustees a statement showing the total value of all real property in the district located in his county as shown on the last equalized assessment roll of the county.

The board of trustees shall then determine the amount that is to be assessed against district property in each of the counties, the amount being that portion of the total sum necessary for district expenditure for an ensuing year that the aggregate assessed value of the real property in the district in the county bears to the total assessed value of all real property in the district. The board of trustees may then transmit to each county the portion of the money for district expenditures that is to be collected by taxes levied against property in that county and each county shall proceed as provided in subdivision (a) of this section with respect to the property of the district within that county. The treasurer of a county other than the county in which the majority of the lands of the district are situated, shall, after collection of the taxes provided for in this section, transfer the money to the treasurer of the county in which the majority of the lands of the district are situated and shall be held for the benefit of the district and it shall be paid out upon warrants authorized by the board of trustees.

CHAPTER 566

An act to amend Section 117j of the Code of Civil Procedure, relating to notice of entry of judgments and time for appeals in small claims actions.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 117j of the Code of Civil Procedure is amended to read:

117j. The judgment of said court shall be conclusive upon the plaintiff. If the defendant is dissatisfied, he may, within 30 days after the date of entry of the judgment, appeal to the superior court of the county in which said court is held. He shall pay, for filing the papers in the superior court, the same fee as is charged and collected on the appeal of a civil action from a justice court, and if final judgment is rendered against him in such superior court, then he shall pay, in addition to said judgment, an attorney's fee to the plaintiff in the sum of fifteen dollars (\$15). Except as otherwise provided in this chapter, such appeal shall be taken as provided in Chapter 3 of Title 13 of Part 2 of this code for appeals from justice courts.

The time for appeal from any small claims judgment rendered prior to the effective date hereof and upon which no notice of entry of judgment has been given by the plaintiff shall be 90 days from and after the effective date hereof.

CHAPTER 567

An act to add Section 34004 to the Government Code, relating to the duties of municipal officers.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 34004 is added to the Government Code, to read:

34004. Where any duty is imposed upon a municipal officer by any law of this State or any rule or regulation adopted under the authority of any such law the governing body of a city may, by ordinance, impose such duty or portion thereof upon another officer of such city designated in such ordinance. A copy of any such ordinance as adopted shall be filed with the state officer or agency which has charge of the matter to which such duty pertains.

CHAPTER 568

An act to amend Section 19578 of the Government Code, relating to civil service

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 19578 of the Government Code is amended to read:

19578. Whenever an answer is filed to a punitive action other than a suspension without pay for 10 days or less, the board or its authorized representative shall within a reasonable time hold a hearing. The board shall notify the parties of the time and place of the hearing. Such hearing shall be conducted in accordance with the provisions of Section 11513 of the Government Code, except that the employee and other persons may be examined as provided in Section 19580, and the parties may submit all proper and competent evidence against or in support of the causes.

CHAPTER 569

An act to amend Section 1805 of the Streets and Highways Code, relating to the width of city streets.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1805 of the Streets and Highways Code is amended to read:

1805. The width of all city streets, except state highways, bridges, alleys, and trails, shall be at least 40 feet, except that the governing body of any city may, by a resolution passed by a four-fifths vote of its membership, determine that the public convenience and necessity demand the acquisition, construction and maintenance of a street of less than 40 feet and, after such determination, proceed with the acquisition, construction or maintenance of any such street. The width of all private highways and by-roads, except bridges, shall be at least 20 feet. This section does not require that the width of city streets established or used as such prior to September 15, 1935, be increased or diminished.

CHAPTER 570

An act to add Section 20631 to the Government Code, relating to the State Employees' Retirement System in respect to the use of additional funds.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 20631 is added to the Government Code, to read:

20631. Notwithstanding any other provision of this part, a member may at any time, in writing, authorize the board to apply any additional contributions standing to his credit as payment of any contributions required of the member or payable at his option pursuant to any provision of this part, except the normal monthly contributions required in Article 1, Chapter 5 of this part.

CHAPTER 571

An act to amend Section 640 of the Penal Code, relating to wire tapping.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 640 of the Penal Code is amended to read:

640. Every person who, by means of any machine, instrument, or contrivance, or in any other manner, wilfully and fraudulently, or clandestinely taps, or makes any unauthorized connection with any telegraph or telephone wire, line, cable, or instrument under the control of any telegraph or telephone company; or who wilfully and fraudulently, or clandestinely, or in any unauthorized manner, reads, or attempts to read, or to learn the contents or meaning of any message, report, or communication while the same is in transit or passing over any telegraph or telephone wire, line, or cable, or is being sent from, or received at any place within this State; or who uses, or attempts to use, in any manner, or for any purpose, or to communicate in any way, any information so obtained; or who aids, agrees with, employs, or conspires with any person or persons to unlawfully do, or permit, or cause to be done any of the acts or things hereinabove mentioned, is punishable by imprisonment in the state prison not exceeding five years, or by imprisonment in the county jail not exceeding one year, or by fine not exceeding five thousand dollars (\$5,000), or by both such fine and imprisonment.

CHAPTER 572

An act to add Section 26206 to the Government Code, relating to the powers and duties of boards of supervisors.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26206 is added to the Government Code, to read:

26206. The board of supervisors of any county may prepare, procure and present commemorative medals honoring persons who have performed unique or particularly noteworthy public service or commemorating acts, accomplishments, events, or anniversaries of public significance and importance. Only those medals may be prepared under the authority of this section which are of nominal value and cost.

CHAPTER 573

An act to amend the "Los Angeles County Flood Control Act" (Chapter 755 of the Statutes of 1915) by amending Section 13 $\frac{3}{4}$ thereof, relating to the control and conservation of the flood, storm and other waste waters of the Los Angeles County Flood Control District.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13 $\frac{3}{4}$ of the Los Angeles County Flood Control Act is amended to read as follows:

Sec. 13 $\frac{3}{4}$. The board of supervisors of the Los Angeles County Flood Control District shall have power to accept on behalf of said district a transfer and conveyance of storm drain improvements and drainage systems lying within the territorial limits of said district and which have been constructed prior to July 1, 1955, whenever the governing body of any public agency owning or exercising jurisdiction over such storm drain and drainage improvements, by resolution describing them, requests the said Los Angeles County Flood Control District to accept the same or when the owner of such storm drain improvement or drainage system tenders a conveyance thereof. Upon such acceptance, the board of supervisors of said district shall thereupon assume sole control and jurisdiction over such storm drain and drainage systems and shall thereafter provide for the operation, maintenance, repair and improvement thereof, except that such flood control district shall not assume or be liable for any bonded indebtedness that may be against the said storm drain or drainage systems. Any

city or county within whose limits any storm drain or drainage system has been constructed, and which storm drain or drainage system also lies within the territorial limits of said Los Angeles County Flood Control District, may, by a four fifths vote of the legislative body of such city or county, transfer and convey to said flood control district any such storm drain or drainage systems for future operation, maintenance, repair and improvement, and upon acceptance of any storm drain improvement under this section the board of supervisors of said flood control district shall have power, and it shall be its duty, to levy a special tax each year upon the taxable real property in said district sufficient to pay the cost and expenses of operating, maintaining, repairing and improving such storm drain and drainage systems so transferred and accepted, excepting only the payment of interest and principal on any outstanding bonds for which the said district shall not be liable. Said special tax shall likewise be levied, collected and expended to pay the cost and expenses of operating, maintaining, repairing and improving all storm drain improvements or drainage systems, or both, constructed by said district with bond funds authorized at any bond election held under the authority of this act. Said tax shall be levied and collected at the same time and in the same manner as the general tax for county purposes, and the revenue derived from said tax shall be paid into the county treasury to the credit of said flood control district and said board of supervisors shall have the power to control and order the expenditure thereof for said purposes. Taxes levied under authority of this section shall be separate and distinct from, and shall be in addition to the taxes authorized to be levied under Section 14 of this act but may be levied with the taxes authorized under Section 13½ of this act.

CHAPTER 574

An act to amend Section 635 of the Agricultural Code, relating to modified milk.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 635 of the Agricultural Code is amended to read:

635. Modified milk is market milk, evaporated milk or powdered milk which has been altered in composition to conform to special nutritional requirements and contains no fat or oil other than milk fat.

CHAPTER 575

An act to amend Section 4384 of the Agricultural Code, relating to assessments on fluid milk and fluid cream subject to a stabilization and marketing plan.

[Approved by Governor May 16, 1955 Filed with
Secretary of State May 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4384 of the Agricultural Code is amended to read:

4384. Distributors who are subject to the provisions of any stabilization and marketing plan made effective by this chapter, shall deduct as an assessment from payments due producers for fluid milk, fluid cream or both, including each distributor's own production, the sum of two mills (\$.002) per pound milk fat on all milk fat contained in fluid milk, fluid cream or both, or in the case of distributors who do not purchase or receive fluid milk, in milk fat pounds, the sum of seven mills (\$.007) for each 10 gallons of such fluid milk. Said assessment rates are maximum rates. The director may fix the rate of such assessments at a less amount, and may adjust the rate from time to time, whenever he finds that the cost of administering the provisions of this chapter can be defrayed from revenues derived from such lower rates, in combination with such sums as are provided by Section 4383. The amount of the assessments so deducted shall be paid to the director on or before the fifteenth of the month following the month during which such fluid milk or fluid cream was received.

CHAPTER 576

An act to amend Section 461.5 of the Agricultural Code, relating to milk-dispensing devices

[Approved by Governor May 16, 1955 Filed with
Secretary of State May 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 464.5 of the Agricultural Code is amended to read:

464.5. Market milk or the fluid derivative thereof used in the preparation of milk shakes or other mixed milk drinks shall be dispensed or poured from standard milk bottles or single service containers which have been filled and sealed or capped in a milk products plant. This section does not prohibit the use of homogenized market milk drawn from a milk-dispensing device approved under the provisions of Section 461 in the preparation of milk shakes or other mixed milk drinks.

CHAPTER 577

An act to add Section 534 to the Agricultural Code, relating to sanitation in production and handling of imitation milk products.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 534 is added to the Agricultural Code, to read:

534. It is unlawful to sell, give away, deliver, or to knowingly purchase or receive any imitation milk product which has been produced in a plant that is in an insanitary condition, or that is handled by any carrier or any store or depot that is in an insanitary condition. All of the provisions of Article 3, Chapter 5, of this division, shall apply to any building or structure wherein imitation milk products are manufactured, processed or compounded, except that foods which do not affect the flavor or quality of such imitation milk products may be handled therein.

CHAPTER 578

An act to amend Section 354.1 and to amend and renumber Section 380 of the Agricultural Code, relating to fees for inspection of animals.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 354.1 of the Agricultural Code is amended to read:

354.1. The fees provided by this article are maximum fees. The director may adopt a schedule or schedules of fees which are below the maximum fees established in this article and may adjust such schedule or schedules from time to time whenever he finds that the cost of administering and enforcing the provisions of Chapters 2, 4, 5, 7 and 8 of Division 3 of the Agricultural Code can be maintained with such below-maximum fees.

SEC. 2. Section 380 of said code is amended and renumbered to read:

373. Any moneys in the Department of Agriculture Fund derived under any of the provisions of Chapters 2, 4, 5 and 8 of this division may be expended for the administration and enforcement of any or all of the provisions of said chapters, notwithstanding any other provision of law limiting the expenditure of any such money to some specific purpose or to the administration or enforcement of some specific section or article of said chapter.

CHAPTER 579

An act to amend Section 1029 of, and to add Section 1029.1 to, the Education Code, relating to liability insurance of school districts.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1029 of the Education Code is amended to read:

1029. The governing board of any school district shall insure against the liability (other than a liability which may be insured against under the provisions of Divisions 4 and 5 of the Labor Code) of the district and against the personal liability of the members of the board and of the officers, agents, and employees of the board, for damages by reason of death, or injury to person or property, as the result of any negligent act by the district, or by a member of the board, or any officer, agent, or employee when acting within the scope of his office, agency, or employment. The insurance may be written in any insurance company authorized to transact the business of insurance in the State.

SEC. 2. Section 1029.1 is added to said code, to read:

1029.1. In districts situated within or partly within cities of the first class or of the first and one-half class any board of education may provide, from its own funds, for the purpose of covering the liability of the district, its officers, agents, and employees, in lieu of carrying insurance in insurance companies as provided in Section 1029. Nothing contained herein shall be construed as prohibiting the board of education of the district from providing protection against such liability partly by means of its own funds and partly by means of insurance written by insurance companies as provided in Section 1029.

CHAPTER 580

An act to amend Section 352 of the Education Code, relating to county superintendents of schools.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 352 of the Education Code is amended to read:

352. The superintendent of schools of each county shall:
(a) Superintend the schools of his county.

(b) Visit and examine each school in his county at reasonable intervals to observe their operation and to learn of their problems. He may annually present a report of the state of the

schools in his county, and of his office, including but not limited to his observations while visiting the schools, to the board of education and the board of supervisors of his county.

(c) Distribute all laws, reports, circulars, instructions, and blanks which he may receive for the use of the school officers.

(d) Keep in his office the reports of the Superintendent of Public Instruction.

(e) Keep a record of his official acts, and of all the proceedings of the county board of education, including a record of the standing, in each study, of all applicants for certificates who have been examined, which shall be open to the inspection of any applicant or his authorized agent.

CHAPTER 581

An act to amend Section 20980 of, and to add Section 20982 to, the Water Code, relating to the change of name of irrigation districts.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 20980 of the Water Code is amended to read:

20980. Whenever the board so determines it may, or in the event any district has been formed under the same name as that of another district, the board of the last formed district shall, by a resolution spread on its minutes change the name of the district.

SEC. 2. Section 20982 is added to the Water Code, to read:

20982. The change of name shall become effective for all purposes upon the recordation of the resolution after which the district shall perform all functions, exercise all powers, be responsible for its obligations and in all respects conduct its affairs under its name as changed with the same force and effect as under the name by which it was designated upon its formation.

CHAPTER 582

An act to amend Section 21657 of the Water Code, relating to elections in irrigation districts.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 21657 of the Water Code is amended to read:

21657. The ballots shall have printed on them the names of all candidates properly nominated and a voting square after each name. The names of the incumbents shall be listed first and the other candidates shall be arranged alphabetically under the designation of the office for which each person named is a candidate.

CHAPTER 583

An act to amend Section 6619 of the Streets and Highways Code, relating to notice regarding actions for recovery on bond.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1 Section 6619 of the Streets and Highways Code is amended to read:

6619. A written notice of the pendency of any action for recovery on a bond shall be filed with the treasurer. After the filing of such notice the treasurer shall not receive any money on account of the bond and he shall have no authority to cancel the entries on the bond in his register or give a discharge of the bond without the written consent of the owner thereof until judgment has been rendered in the action or until it has been dismissed

Upon the entry of judgment or dismissal of the action the county clerk shall forthwith mail to the treasurer a certified copy of the judgment or other evidence sufficient to advise him of the judgment of the court in the action.

CHAPTER 584

An act to amend Section 476 of the Vehicle Code, relating to official traffic signals.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 476 of the Vehicle Code is amended to read:

476. Official Traffic Signals. Whenever traffic is controlled by official traffic control signals exhibiting the words "Go," "Caution," or "Stop," or exhibiting different colored lights successively, one at a time, or with arrows, the following colors only shall be used, and said terms and lights shall indicate and apply to drivers of vehicles and pedestrians as follows:

(a) Green alone or "go."

Signal
directions
"Go"

1. Vehicular traffic facing the signal shall proceed straight through or may turn right or left or make a semicircular or U-turn unless a sign at such place prohibits any such turn. But vehicular traffic, including vehicles turning right or left, shall yield the right of way to other vehicles and to pedestrians lawfully within the intersection or an adjacent crosswalk at the time such signal is exhibited.

2. Pedestrians facing the signal may proceed across the roadway within any marked or unmarked crosswalk.

“Caution”

(b) Yellow or “caution” when shown following the green or “go” signals.

1. Vehicular traffic facing the signal is thereby warned that the red or stop signal will be exhibited immediately thereafter and vehicular traffic will be required to stop when the red or stop signal is exhibited.

2. No pedestrian shall enter the roadway or cross any part of a roadway or from or to a safety zone against a yellow or “caution” signal.

“Stop”

(c) Red alone or “stop.”

1. Vehicular traffic facing the signal shall stop at a limit line, if marked, otherwise before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and shall remain standing until green or “go” is shown alone, except as provided in the next succeeding paragraphs.

2. The driver of a vehicle which is stopped as close as practicable at the entrance to the crosswalk on the near side of the intersection or, if none, then at the entrance to the intersection in obedience to a red or “stop” signal, may make a right turn but shall yield the right of way to pedestrians and other traffic proceeding as directed by the signal at said intersection, except that local authorities may by ordinance prohibit any such right turn against a red or “stop” signal at any intersection within a central traffic district as defined by ordinance, or within any business district or at any intersection outside of a central traffic district or business district when a sign is erected at such intersection prohibiting any such right turn against a red or “stop” signal.

3. The driver of a vehicle on a one-way street which intersects another one-way street on which traffic moves to the left shall stop in obedience to a red or “stop” signal but may then make a left turn into said one-way street, but shall yield the right of way to pedestrians and other traffic proceeding as directed by the signal at said intersection.

4. No pedestrian shall enter the roadway or cross any part of the roadway or proceed from or to a safety zone against a red or “stop” signal.

Arrows

(d) Red with green arrow and green with red arrow.

1. Red With Green Arrow. Vehicular traffic facing such signal may cautiously enter the intersection only to make the movement indicated by the green arrow but shall yield the right of way to other vehicles and to pedestrians lawfully

within the intersection or an adjacent crosswalk at the time such green arrow is exhibited.

2. Green With Red Arrow Prohibited. It is unlawful to operate a traffic signal which is equipped with a green light and a red arrow which are shown simultaneously.

(e) The motorman of any streetcar shall obey all official traffic signals as applicable to vehicles except that the motorman of a streetcar shall not make a right or left turn when facing a red alone or stop signal. Streetcar
motormen

(f) No person shall disobey the directions of this section except when it is necessary for the purpose of avoiding a collision or in case of other emergency or when otherwise directed by a police or traffic officer, or as permitted under Section 454. Exceptions

(g) The above provisions in reference to pedestrians shall be inapplicable in the event pedestrian control signals are in operation as provided in Section 476.1. Pedestrian
signals

CHAPTER 585

An act to amend Section 4532 of the Penal Code, relating to escapes by persons convicted of misdemeanors.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4532 of the Penal Code is amended to read:

4532. (a) Every prisoner formally charged with or convicted of a misdemeanor who is confined in any county or city jail or prison or industrial farm or industrial road camp or who is engaged on any county road or other county work or who is in the lawful custody of any officer or person, and who thereafter escapes or attempts to escape from such county or city jail, prison, industrial farm or industrial road camp or from the custody of the officer or person in charge of him while engaged on or going to or returning from such county work or from the custody of any officer or person in whose lawful custody he is, is guilty of a felony and, if such escape or attempt to escape was not by force or violence, is punishable by imprisonment in the state prison for not less than six months nor more than five years, regardless of any prior convictions, or in the county jail not exceeding one year; provided, however, that if such escape or attempt to escape is by force or violence, such person is guilty of a felony and is punishable by imprisonment in the state prison not exceeding 10 years, or in the county jail not exceeding one year; provided, that when said second term of imprisonment is to be served in the county jail it shall commence from the time such prisoner would otherwise have been discharged from said jail.

A conviction of violation of this subdivision, not by force or violence, shall not be charged as a prior felony conviction in any subsequent prosecution for a public offense.

(b) Every prisoner charged with or convicted of a felony who is confined in any county or city jail or prison or industrial farm or industrial road camp or who is engaged on any county road or other county work or who is in the lawful custody of any officer or person, who escapes or attempts to escape from such county or city jail, prison, industrial farm or industrial road camp or from the custody of the officer or person in charge of him while engaged on or going to or returning from such county work or from the custody of any officer or person in whose lawful custody he is, is guilty of a felony and is punishable by imprisonment in the state prison not exceeding 10 years, or in the county jail not exceeding one year; provided, that when said second term of imprisonment is to be served in the county jail it shall commence from the time such prisoner would otherwise have been discharged from said jail.

CHAPTER 586

An act to add Section 25351.2 to the Government Code, relating to art institutes.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 25351.2 is added to the Government Code, to read:

25351.2. In the operation of a county art institute, the board may charge fees necessary to defray the cost of instruction and may issue certificates evidencing the completion of courses of instruction to the satisfaction of the board.

CHAPTER 587

An act to amend Section 12324 of the Government Code, relating to payment of state warrants.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12324 of the Government Code is amended to read:

12324. The Treasurer shall pay warrants drawn by the Controller out of the funds upon which they are drawn, except warrants canceled pursuant to law.

CHAPTER 588

An act to add Section 614.3 to the Agricultural Code, relating to partially creamed cottage cheese.

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 614.3 is added to the Agricultural Code, to read:

614.3. Partially creamed cottage cheese is the soft uncured cheese prepared by mixing cottage cheese with one or more of the following pasteurized products or a pasteurized mixture of two or more of them: cream, milk, skim milk, concentrated milk, dried milk, concentrated skim milk, nonfat dry milk solids, or other constituents derived from milk, water. Such cream or product or mixture is used in such quantity that the milk fat added thereby is not less than 0.5 percent, nor more than 2 percent by weight of the finished partially creamed cottage cheese. The finished partially creamed cottage cheese contains not more 80 percent of moisture.

(b) For the purpose of this section, "milk" means sweet milk of cows and "skim milk" means milk from which the milk fat has been separated.

(c) For the purposes of this section, partially creamed cottage cheese made from goat milk is a special variety of cheese.

(d) The addition of milk products to cottage cheese shall take place only in a licensed milk products plant.

(e) Partially creamed cottage cheese to which chives, fruits or vegetables are added shall contain not more than 2 percent milk fat and not less than 0.5 percent milk fat and not more than 80 percent of moisture at time of sale to consumer. When chives are added to the product, it must contain a sufficient amount of properly cleaned fresh, frozen or dehydrated chives so as to impart the characteristic flavor of chives to the finished product. When fruits are added, single variety or a combination of two or more varieties, the amount shall not be less than 10 percent and not more than 25 percent by weight of the finished product. When vegetables are added, single variety or combination of two or more varieties, the amount added shall not be less than 5 percent and not more than 20 percent by weight of the finished product. Fruits and vegetables shall be clean and sound and shall be frozen, canned or dried, or have been heated to a pasteurization temperature as specified in Section 515. In addition to the labeling requirements of Section 620, the chives, fruits, or vegetables must be shown on the label of each package in the order of predominance by weight.

CHAPTER 589

An act to amend Section 372 of the Agricultural Code, relating to livestock killed or injured on railroads.

In effect
September
7, 1955

[Approved by Governor May 16, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 372 of the Agricultural Code is amended to read:

372. When any bovine animal is killed or injured upon the right of way of any railroad in this State, the owner or operator of the railroad equipment injuring or killing such animal shall report the fact as soon as possible but in no event later than 96 hours after the collision, giving a description of the animal; the brands and marks and the position of the brands and marks, if any, upon the animal; the location of the animal; and the location of the point of collision, listing the county, the nearest post office, and milepost. Such report shall be given by telephone, telegraph, or mail to the owner of the animal if known. If the owner of such animal is unknown, such report shall be given to the office of the sheriff, constable, or brand inspector whose office or established headquarters is, to the knowledge of the railroad employee making the report, the nearest to the place of the collision. Upon receiving such report such officer or brand inspector shall attempt to ascertain the ownership of said animal and notify the owner of the death or injury of the animal. It shall be unlawful for any person to bury, conceal, or destroy any animal or do anything to the carcass thereof which will tend to make ascertainment of its ownership more difficult until the owner has been notified or the officer or brand inspector has identified the brands and marks, if any, and their position upon the animal.

CHAPTER 590

An act to add Section 220 to the Revenue and Taxation Code, relating to the exemption of aircraft from personal property taxes.

In effect
September
7, 1955

[Approved by Governor May 17, 1955. Filed with
Secretary of State May 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 220 is added to the Revenue and Taxation Code, to read:

220. Any aircraft which is in California on the first Monday in March solely for the purpose of being repaired, overhauled, modified, or serviced is exempt from personal property taxation. This exemption does not apply to aircraft normally based in California, or operated intrastate or interstate in and into California.

CHAPTER 591

An act to amend Section 12004 of, and to add Section 12200.1 to, the Financial Code, relating to check sellers and cashers.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12004 of the Financial Code is amended to read:

12004. "Licensee" means any individual, partnership, un-
incorporated association, or corporation licensed by the com- "Licensee"
missioner to engage in the business of cashing checks, drafts
or money orders, and any corporation licensed by the com-
missioner to engage in the business of selling checks, drafts
or money orders, or of receiving money as agent of an obligor
for the purpose of paying bills, invoices or accounts of such
obligor pursuant to the provisions of this division.

SEC. 2. Section 12200.1 is added to said code, to read:

12200.1. A license to engage in the business of selling
checks, drafts, or money orders, or of receiving money as
agent of an obligor for the purpose of paying bills, invoices,
or accounts of such obligor shall only be issued to a corpora-
tion organized under the laws of this State for that purpose. Licenses
Corporations
only

SEC. 3. Any existing license under the Check Sellers and
Cashers Law authorizing the holder thereof to sell checks,
drafts, or money orders, or to receive money as agent of an
obligor for the purpose of paying bills, invoices, or accounts
of such obligor shall expire 60 days after the effective date of
this act. The commissioner shall issue a license to engage in
such business under the Check Sellers and Cashers Law for
the remainder of the calendar year to a corporation formed at
the instance of an individual or partnership for the purpose
of taking over and operating an existing licensed check sellers
and cashers business conducted by said individual or partner-
ship upon surrender of such license and without payment of
fee, provided written request for such license together with
the bonds required under the Check Sellers and Cashers Law
are filed with the commissioner on or before 60 days after the
effective date of this act. Existing
Licenses

CHAPTER 592

An act to amend Sections 74182, 74183, 74184 and 74185 of the Government Code, relating to the officers and attaches of the municipal court established in a district embracing the City of Sacramento.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 74182 of the Government Code is amended to read:

Salaries
Court
secretary

74182. There shall be one clerk, to be appointed by the judges of the court, who shall be secretary of the court and who shall receive six hundred fifty dollars (\$650) monthly.

SEC. 2. Section 74183 of said code is amended to read:

Deputy
clerks, etc

74183. The clerk shall appoint:

(a) One chief deputy clerk who shall be in charge of the civil division of the court and who shall receive five hundred dollars (\$500) monthly.

(b) One deputy clerk (criminal division), who shall receive four hundred dollars (\$400) monthly.

(c) One deputy clerk (court clerk, criminal division), who shall receive three hundred seventy-five dollars (\$375) monthly.

(d) One deputy clerk (court clerk, who shall be in charge of the small claims division), who shall receive three hundred seventy-five dollars (\$375) monthly.

(e) One deputy clerk, who shall be in charge of the traffic violations bureau of the court and who shall receive three hundred seventy-five dollars (\$375) monthly.

(f) One deputy clerk, who shall be in charge of machine operations (traffic violations bureau), who shall receive three hundred fifty dollars (\$350) monthly.

(g) Two key punch operators (traffic bureau), each of whom shall receive three hundred twenty-five dollars (\$325) monthly.

(h) Two deputy clerks (criminal division), each of whom shall receive three hundred twenty-five dollars (\$325) monthly.

(i) One senior stenographer-clerk (criminal division), who shall receive three hundred twenty-five dollars (\$325) monthly.

(j) One deputy clerk (civil division), who shall be a stenographer, and who shall receive three hundred twenty-five dollars (\$325) monthly.

(k) Two deputy clerks (civil division), each of whom shall receive three hundred twenty-five dollars (\$325) monthly.

(l) Two deputy clerks (court clerks, civil division), each of whom shall receive three hundred twenty-five dollars (\$325) monthly.

(m) Five clerks (criminal division), each of whom shall receive two hundred ninety dollars (\$290) monthly.

SEC. 3. Section 74184 of said code is amended to read:

Marshal

74184. There shall be one marshal, to be appointed by the judges of the court, who shall receive six hundred fifty dollars (\$650) monthly.

SEC. 4. Section 74185 of said code is amended to read:

74185. The marshal shall appoint:

Assistant,
etc.,
marshals

(a) One assistant marshal, who shall receive four hundred dollars (\$400) monthly.

(b) One chief deputy marshal and one deputy marshal, each of whom shall receive three hundred eighty-five dollars (\$385) monthly.

(c) Two deputy marshals (bailiffs) each of whom shall receive three hundred fifty dollars (\$350) monthly.

(d) One deputy marshal who shall be a stenographer, who shall receive three hundred twenty-five dollars (\$325) monthly.

(e) One deputy marshal clerk, who shall receive two hundred ninety dollars (\$290) monthly

CHAPTER 593

An act to amend the Community Services District Law by amending Section 60673 of the Government Code relating to force, value and use of bonds, tax exemption and investigation and certification of bonds by the California Districts Securities Commission; by repealing Section 60687 of the Government Code relating to limitation on general obligation bonded indebtedness; and by adding Section 60687 to the Government Code, relating to the applicability of Title 5, Division 3, Part 5, Chapter 4 thereof.

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 60673 of the Government Code is hereby amended to read as follows:

60673. Any bonds issued by any district organized under the provisions of this act are hereby given the same force, value and use as bonds issued by any municipality and shall be exempt from all taxation within the State.

All bonds issued by any district payable from taxes are legal investments for all trust funds, for the funds of all insurance companies, the state school funds, and any funds which may be invested in bonds of cities, counties, cities and counties, school districts, or municipalities in the State

Whenever the board of directors of a district declares by resolution that it deems it desirable that any bonds issued or to be issued by the district should be certified by the California Districts Securities Commission as provided in this section, the board of directors shall file a certified copy of the resolution with said commission and the bonds described in said resolution shall then be subject to investigation and certification by the California Districts Securities Commission pursuant to the Districts Securities Commission Law. If in the opinion of the commission the bonds are adequately secured and the revenues and other funds applicable to the payment of the bonds are, or upon the acquisition, construction or improvement of the enterprise for which such bonds were or are to be issued, will be, sufficient to pay the principal of and interest on such bonds the commission shall certify that such bonds are legal investments for all trust funds, for the funds of all insurance companies, the state school funds, and any funds, other than funds of savings banks, which may be

invested in bonds of cities, counties, cities and counties, school districts, or municipalities in the State.

Repeal

SEC. 2. Section 60687 of the Government Code is hereby repealed.

SEC. 3. Section 60687 is hereby added to the Government Code, to read as follows:

Inapplicable
law

60687. None of the provisions of this Chapter 4 shall apply to any proceedings for the authorization, issue or sale of revenue bonds by a district pursuant to Section 60613.1.

CHAPTER 594

An act to amend Section 4311 of the Agricultural Code, relating to petitions for sales stimulation and consumer educational programs.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4311 of the Agricultural Code is amended to read:

4311. Before any stabilization and marketing plan may provide for sales stimulation and consumer educational programs, not less than sixty-five (65) percent of the total number of producers, including the members of producers' associations, whose major interest in the fluid milk is in the production of fluid milk for the marketing area and who produced not less than sixty-five (65) percent of the total volume of fluid milk consumed in any marketing area shall petition the director in writing for the inclusion of such a program as part of the stabilization and marketing plan. For the purposes of determining the number of producers as required by this section the director shall consider those producers for whom contracts required by subdivision (e) of Section 4280 have been filed with the director and with respect to producers' associations the director shall consider those associations in which the major interest of the members thereof is in the production of fluid milk for the marketing area. In determining whether such petition has been signed by the required number of producers in accordance with this section, the director shall consider the approval of any nonprofit agricultural cooperative marketing association which is authorized by its members so to petition, as being the petition of the producers who are members of, or stockholders in, such nonprofit agricultural cooperative marketing association. If such a program is requested by distributors it shall be necessary that not less than sixty-five (65) percent of the total number of distributors and who distribute not less than sixty-five (65) percent of the total volume of fluid milk for consumption in the marketing area shall petition the director in writing for the inclusion of such a program as part of the stabilization and marketing plan.

CHAPTER 595

An act to add Sections 9650.2 and 9717 to, and to amend Sections 9700.5 and 9766 of, the Business and Professions Code, and to amend Sections 7020, 8726.1, and 8740 of, and to add Sections 8732.1, 8738.2, 8739.1, and 8747.5 to, the Health and Safety Code, relating to cemeteries.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 9650.2 is added to the Business and Professions Code, to read:

9650.2. The report shall state the name of the trustee or trustees of the endowment care fund. Any change of trustee shall be reported to the board within a period of 30 days after the change is made. Report

SEC. 2. Section 9700.5 of said code is amended to read:

9700.5. The board shall not grant an original cemetery broker's license to any person who is not a citizen of the United States and a resident of this State. Noncitizens
and non-
residents

This section shall not affect the right of a noncitizen now holding a cemetery broker's license to renewal or reinstatement of his license in accordance with the provisions of this section. Loss of citizenship or change of residence to another state shall terminate the license.

SEC. 3. Section 9717 is added to said code, to read:

9717. Upon receipt of an application for a certificate of authority, the board may cause an investigation to be made of the physical status, plans, specifications and financing of the proposed cemetery, the character of the applicant, including its officers, directors, shareholders, or members, and any other qualifications required of the applicant under this act, and for this purpose may subpoena witnesses, administer oaths, and take testimony. Investigation

At the time of the filing of the application required by this section, the applicant shall pay to the cemetery fund the sum of two hundred dollars (\$200) to defray the expenses of investigation. In the event the sum shall be insufficient to defray all of the expenses, the applicant shall within five days after request therefor deposit an additional sum sufficient to defray such expenses, provided that the total sum shall not exceed the sum of five hundred dollars (\$500). Investigation
expense

SEC. 4. Section 9766 of said code is amended to read:

9766. Upon payment of the charges set forth the board shall issue a renewal of the certificate of authority to the cemetery authority. Certificate of
authority

SEC. 5. Section 7020 of the Health and Safety Code is amended to read:

7020. "Cemetery business," "cemetery businesses," and "cemetery purposes" are used interchangeably and mean any and all business and purposes requisite to, necessary for, or "Cemetery
business."
etc.

incident to, establishing, maintaining, operating, improving, or conducting a cemetery, interring human remains, and the care, preservation, and embellishment of cemetery property, including, but not limited to, any activity or business designed for the benefit, service, convenience, education, or spiritual uplift of property owners or persons visiting the cemetery.

SEC. 6. Section 8726.1 of said code is amended to read:

Endowment
care fund
Reserve

8726.1. The trustee of the endowment care fund shall create a reserve from which principal losses may be replaced by setting aside a reasonable percentage of the income from the fund, and the trustee may set aside reserves out of income for the care, maintenance, repair or replacement of cemetery property or embellishments.

SEC. 7. Section 8732.1 is added to said code, to read:

Qualifications
for trustee

8732.1. Each individual trustee of an endowment care fund shall be a resident of this State, and a corporate trustee shall be qualified to do business in this State.

SEC. 8. Section 8738.2 is added to said code, to read:

Separation
from other
funds

8738.2. The endowment care fund under the provisions of this code shall be kept separate and apart from all other cemetery funds. Separate records and books shall be kept of the endowment care fund. The amount to be deposited in the endowment care fund shall be separately shown on the original purchase agreement and a copy delivered to the purchaser. In the sale of cemetery property, no commission shall be paid a broker or salesman on the amount deposited by the purchaser in the fund.

SEC. 9. Section 8739.1 is added to said code, to read:

Endowment
care
cemetery
Cemetery
hereafter
established

8739.1. Any cemetery hereafter established shall be an endowment care cemetery.

SEC. 10. Section 8740 of said code is amended to read:

Existing
cemetery

8740. A cemetery which otherwise complies with Section 8738 may be designated an endowment care cemetery even though it contains a small section which may be sold without endowment care, if the section is separately set off from the remainder of the cemetery and if signs are kept prominently placed around the section designating the same as a "nonendowment care section" in legible black lettering at least four inches high. There shall be printed at the head of all contracts, agreements, statements, receipts and certificates of ownership or deeds referring to plots in the section the phrase "nonendowment care" in lettering of a size and style to be approved by the State Cemetery Board.

No new "nonendowment care" sections shall be established, nor an existing one enlarged in an endowment care cemetery.

SEC. 11. Section 8747.5 is added to said code, to read:

Books,
accounts,
etc.

8747.5. Each cemetery shall at all times maintain and keep within the State of California all books, accounts, records, cash and evidences of investments of its general and special care funds. They shall be readily available for inspection and examination by the State Cemetery Board in accordance with the provisions of the Business and Professions Code.

CHAPTER 596

An act to amend Section 380 of the Penal Code, relating to drugs and medicines.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 380 of the Penal Code is amended to read:

380 Every apothecary, druggist, or person carrying on business as a dealer in drugs or medicines, or person employed as a clerk or salesman by such person, who, in putting up any drugs or medicines, or making up any prescription, or filling any order for drugs or medicines, wilfully, negligently, or without consideration of those facts which by use of ordinary care and skill he should have known, omits to label the same, or puts an untrue label, stamp, or other designation of contents, upon any box, bottle, or other package containing any drugs or medicines, or substitutes a different article for any article prescribed or ordered, or puts up a greater or less quantity of any article than that prescribed or ordered, or otherwise deviates from the terms of the prescription or order which he undertakes to follow, in consequence of which human life or health is endangered, is guilty of a misdemeanor, or if death ensues, is guilty of a felony.

CHAPTER 597

An act to amend Sections 4196 and 4094 of the Business and Professions Code, relating to pharmacy.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4196 of the Business and Professions Code is amended to read:

4196. Within 30 days after the changing of his address as designated on the books of the board or after changing his name according to law, every registered pharmacist shall notify the secretary of the board of his change of address or change of name. Any registered pharmacist who fails to comply with this section shall be liable to a penalty of five dollars (\$5), which shall be paid to the board. The board may suspend the certificate of registration of any registered pharmacist who fails to pay such penalty within 30 days after notice by the board of the assessment of the penalty.

SEC. 2. Section 4094 is amended to read:

4094. Within 30 days after the changing of his address as designated on the books of the board or after changing his

name according to law, every registered pharmacist shall notify the executive secretary of the board of his change of address or change of name. Any registered pharmacist who fails to comply with this section shall be liable to a penalty of five dollars (\$5), which shall be paid to the board. The board may suspend the certificate of registration of any registered pharmacist who fails to pay such penalty within 30 days after notice by the board of the assessment of the penalty.

Effect
Stats 1955,
Ch. 550

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4196 of the Business and Professions Code, as amended by this act, is repealed.

CHAPTER 598

An act to amend Sections 4256 and 4416 of the Business and Professions Code, relating to pharmacy.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4256 of the Business and Professions Code is amended to read:

Fees and
penalties

4256. The amount of fees and penalties prescribed by this chapter is that fixed by the following schedule:

(a) The fee for a permit to conduct a pharmacy shall be fixed by the board at an amount not to exceed fifty dollars (\$50) for each pharmacy.

(b) The annual fee for a renewal of the permit to conduct a pharmacy shall be fixed by the board at an amount not to exceed twelve dollars (\$12) for each pharmacy.

(c) The annual fee for a permit for a general dealer in a rural district is five dollars (\$5).

(d) The fee for any applicant for registration is twenty-five dollars (\$25).

(e) The additional fee for the issuance of a certificate to any licentiate, who is found by the board on examination to be entitled to a certificate, is fifteen dollars (\$15).

(f) The fee for the reissuance of a certificate is fifteen dollars (\$15).

(g) The annual renewal fee for a registered pharmacist may be fixed by the board at an amount not to exceed the sum of eight dollars (\$8).

(h) The fee for a wholesaler is fifty dollars (\$50).

(i) The fee for a manufacturer is fifty dollars (\$50).

(j) The fee for a hypodermic license is five dollars (\$5).

(k) The annual fee for hypnotic license is ten dollars (\$10).

(l) The annual fee for an analytical toxicologist is ten dollars (\$10).

(m) The penalty for failure to pay any annual renewal fee may be fixed by the board at an amount not to exceed the sum of ten dollars (\$10).

SEC. 2. Section 4416 of said code is amended to read:

4416. The amount of fees and penalties prescribed by this ^{Same} chapter, except as otherwise provided, is that fixed by the following schedule:

(a) The fee for a permit to conduct a pharmacy shall be fixed by the board at an amount not to exceed fifty dollars (\$50) for each pharmacy.

(b) The annual fee for renewal of the permit to conduct a pharmacy shall be fixed by the board at an amount not to exceed twelve dollars (\$12) for each pharmacy.

(c) The annual fee for a permit for a general dealer in a rural district is five dollars (\$5).

(d) The fee for any applicant for registration is twenty-five dollars (\$25).

(e) The fee for the reissuance of a certificate is fifteen dollars (\$15).

(f) The annual renewal fee for a registered pharmacist may be fixed by the board at an amount not to exceed the sum of eight dollars (\$8).

(g) The fee for a wholesaler is fifty dollars (\$50).

(h) The fee for a manufacturer is fifty dollars (\$50).

(i) The fee for a hypodermic license is five dollars (\$5).

(j) The annual fee for hypnotic license is ten dollars (\$10).

(k) The annual fee for an analytical toxicologist is ten dollars (\$10).

(l) The penalty for failure to pay any annual renewal fee may be fixed by the board at an amount not to exceed the sum of ten dollars (\$10).

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said bill takes effect, at which time Section 4256 of the Business and Professions Code as amended by Section 1 of this act is repealed.

Effect
Stats 1955,
Ch 550

CHAPTER 599

An act to amend Sections 9 and 3166 and to repeal Sections 9.1 and 3166.1 of the Civil Code, relating to the time for payment or presentment of negotiable instruments.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 9 of the Civil Code is amended to read as follows:

9. All other days than those mentioned in Section 7 are to be deemed business days for all purposes; provided, that as to any act appointed by law or contract, or in any other way,

Business
days

Saturday a
bank holiday

to be performed by, at, or through any bank organized under the laws of or doing business in this State, Saturday is a holiday and not a business day; and provided, that any act appointed by law or contract, or in any other way, to be performed on any day which is an optional bank holiday as defined in Section 3166 of this code, by, at, or through any bank or branch or office thereof, whether acting in its own behalf or in any other capacity whatsoever, may be performed on such optional bank holiday if the bank or branch or office thereof by, at, or through which such act is to be performed is open for the transaction of business on such optional bank holiday, or, at the option of the person obligated to perform the act, it may be performed on the next succeeding business day which is not a Saturday.

SEC. 2. Section 3166 of the Civil Code is amended to read as follows:

Negotiable
instruments
Time for
payment

3166. Every negotiable instrument is payable at the time fixed therein without grace. When the day of maturity falls upon Sunday, Saturday or a holiday, the instrument is payable on the next succeeding business day which is not a Saturday; provided, however, that where the day of maturity of the instrument falls on an optional bank holiday or the instrument would except for the foregoing provision be payable on an optional bank holiday and it is payable by or at a banking house or any branch or office thereof and the particular banking house or branch or office thereof by or at which the instrument is payable is open for the transaction of business on such optional bank holiday, the holder of the instrument may at his option present the same for payment at said banking house or branch or office thereof by or at which the same is payable on such optional bank holiday or on the next succeeding business day which is not a Saturday. An instrument payable on demand is not to be presented for payment on Sunday, Saturday, or a holiday but is to be presented for payment on the next succeeding business day which is not a Saturday, except that where such instrument is payable by or at a banking house or any branch office thereof and the particular banking house or branch or office thereof by or at which such instrument is payable is open for the transaction of business on an optional bank holiday, the holder of such instrument may at his option present the same for payment at said banking house or branch or office thereof by or at which the same is payable on such optional bank holiday or on the next succeeding business day which is not a Saturday. For the purpose of this section an optional bank holiday is every holiday referred to in Sections 6700 and 6701 of the Government Code of this State, except the following: January 1st, May 30th, July 4th, September 9th, known as "Admission Day," and December 25th, any Monday following any Sunday on which any such day falls, the first Monday in September, Good Friday from 12 noon until 3 p.m., the Thursday in November appointed as Thanksgiving Day, and every Sunday.

SEC. 3. Sections 9.1 and 3166.1 of said code are hereby Repealed.
repealed.

CHAPTER 600

An act to validate and make legally effective any statements and maps or plats relating to the creation or boundaries of county fire protection districts, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Notwithstanding the provisions of Sections 54900 to 54904, inclusive, of the Government Code, any statement, map or plat which is filed for any county fire protection district on or before March 10, 1955, in counties of the eighth class, shall be valid and legally effective for all purposes as though filed on or before February 1, 1955.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Because of unavoidable and unforeseen complications and delay in proceedings in the creating or changing of the boundaries of county fire protection districts, some of such districts were unable to comply with the requirements of law relating to the filing of statements and maps or plats with the county assessor and the State Board of Equalization as a condition to levying taxes for the Fiscal Year 1955-1956. Unless such failure is corrected in accordance with this act, the people in each area affected will be without essential fire protection services during the Fiscal Year 1955-1956; and in order to make such correction effective in time to be of any value for that year, it is necessary that this act take effect immediately.

CHAPTER 601

An act to amend Section 7640 of the Business and Professions Code, relating to funeral directors and embalmers.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7640 of the Business and Professions Code is amended to read:

7640. An embalmer is one who is duly qualified to disinfect or preserve dead human bodies by the injection or external application of antiseptics, disinfectants or preservative fluids; to prepare human bodies for transportation which are dead of

contagious or infectious diseases; and to use derma surgery or plastic art for restoring mutilated features; and who is duly licensed as an embalmer under the laws of the State of California.

CHAPTER 602

An act to amend Sections 54347, 54348, and 54353 of, and to add Sections 54343, 54354, 54355, 54356, 54357 and 54358 to, and to add Article 13 to Chapter 6 of Part 1 of Division 2 of Title 5 of, the Government Code, relating to revenue bonds and the powers of a local agency.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 54347 of the Government Code is amended to read:

Collection
of charges

54347. The local agency may provide for the collection of charges. Provisions may be made for, but are not limited to:

(a) The granting of discounts for prompt payment of bills.

(b) The requiring of deposits or the prepayment of charges in an amount not exceeding one year's charges either from persons receiving service and using the facilities of the enterprise or from the owners of property on which or in connection with which said services and facilities are to be used; provided, however, that in case of nonpayment of all or part of a bill said deposits or prepaid charges shall be applied only insofar as necessary to liquidate the cumulative amount of such charges plus penalties and costs of collection.

(c) The requiring of a guaranty by the owner of property that the bills for service to said property or the occupants thereof will be paid

SEC. 2. Section 54348 of said code is amended to read:

Penalty for
nonpayment
of charges

54348. The local agency may provide for a basic penalty for nonpayment of the charges within the time and in the manner prescribed by it. Said basic penalty shall not be more than 10 percent of each month's charges for the first month delinquent. In addition to the basic penalty it may provide for a penalty of not exceeding one-half of 1 percent per month for nonpayment of the charges and basic penalty. On the first day of the calendar month following the date of payment specified in the bill the charge shall become delinquent if the bill or that portion thereof which is not in bona fide dispute remains unpaid. It may provide for collection of the penalties herein provided for.

SEC. 3. Section 54353 of said code is amended to read:

Action to
collect
unpaid
charges, etc.

54353. As a remedy established for the collection of due and unpaid deposits and charges and the penalties thereon an action may be brought in the name of the local agency in any court of competent jurisdiction against the person or persons

who occupied the property when the service was rendered or the deposit became due or against any person guaranteeing payment of bills, or against any or all of said persons, for the collection of the amount of the deposit or the collection of delinquent charges and all penalties thereon.

SEC. 4. Section 54343 is added to said code, to read:

54343. The local agency may adopt reasonable rules or regulations for the conduct of the enterprise. Rules and regulations

SEC. 5. Section 54354 is added to said code, to read:

54354. A local agency that acquires, constructs or improves a system, plant, works; facilities or undertaking used for the collection, treatment or disposal of sewage may declare in the resolution or ordinance prescribing or revising charges for the services and facilities furnished by the enterprise that delinquent charges for service from such system, plant, works, facilities or undertaking and all penalties thereon when recorded as in this chapter provided shall constitute a lien upon the real property served (except that no such lien shall be created against any publicly owned property) and such lien shall continue until the charge and all penalties thereon are fully paid or the property sold therefor. Lien for delinquent charges, etc

SEC. 6. Section 54355 is added to said code, to read:

54355. Such lien shall attach when the treasurer or other officer whose duty it is to collect the charge records a list of delinquent unpaid charges and penalties thereon with the county recorder, stating the amount of each charge and the penalty thereon, a description of the real property upon which the same is a lien and the name of the local agency to which the same is payable. Such lien shall have the same force, effect, priority and duration as to the property described as would the lien of an abstract of a judgment against the owner of the real property at the time such list is recorded and may be enforced in like manner. A list of all such delinquent charges shall be recorded at least every year, but no delay or informality in recording the same shall invalidate the lien or any unpaid charge or any subsequent act or proceeding. If through error or otherwise the amount of any unpaid charge plus penalties thereon as stated in said list shall be incorrect, said error shall be disregarded and shall not affect or invalidate the filing if said error is one dollar (\$1) or less. Force, effect, etc, of lien

SEC. 7. Section 54356 is added to said code, to read:

54356. As a separate, distinct and cumulative remedy established for the collection of said charges and penalties thereon an action may be brought in the name of the local agency in any court of competent jurisdiction to enforce the lien of the charge and all penalties thereon. In such action a reasonable attorney's fee shall be awarded plaintiff. Action to enforce lien

SEC. 8. Section 54357 is added to said code, to read:

54357. Remedies for collecting and enforcing rates and charges set out in this chapter are cumulative and may be pursued alternately, or any thereof may be used consecutively when the legislative body so determines. If any one of said Remedies for collecting and enforcing rates, charges

remedies is or may be invalid, all valid remedies shall remain effectual until the principal and interest of the bonds are fully paid. Any holder of any bond outstanding at any time may compel the use of any or all of the remedies herein provided. The costs of collection and enforcement of the remedies for the collection of charges shall be paid from the revenues

SEC. 9. Section 54358 is added to said code, to read:

Powers of
local agency

54358. The local agency may execute all instruments, perform all acts, and do all things necessary or convenient in the exercise of the powers granted by this chapter or in the performance of its covenants or duties.

SEC. 10. Article 13 is added to Chapter 6, Part 1, Division 2, Title 5 of said code, to read:

Article 13. Construction

Severability

54700. If any section, subsection, sentence, clause, or phrase of this chapter, or the application thereof to any person or circumstance, is for any reason held invalid, the validity of the remainder of the chapter, or the application of such provision to other persons or circumstances, shall not be affected thereby. The Legislature hereby declares that it would have passed this chapter, and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases, or the application thereof to any person or circumstance, be held invalid.

CHAPTER 603

An act to amend Section 142 of the Vehicle Code, relating to vehicles exempted from registration and the definition of implements of husbandry in relation thereto.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 142 of the Vehicle Code is amended to read:

142. Exemption From Registration. The registration provisions of this chapter shall not apply to any of the following vehicles:

(a) Any vehicle of a type otherwise subject to registration hereunder which is driven or moved upon a highway in conformance with the provisions of this code relating to dealers, transporters or nonresidents or under a temporary registration permit issued by the department as authorized by Section 147 hereof.

(b) Any vehicle of a type otherwise subject to registration hereunder which is driven or moved upon a highway only for the purpose of crossing such highway from one property to

another in accordance with a permit issued by the Department of Public Works.

(c) Any implement of husbandry, whether of a type otherwise subject to registration hereunder or not, which is only incidentally operated or moved over a highway. The following shall be deemed to be implements of husbandry and shall be exempt from registration:

(1) A lift-carrier or other vehicle designed and used exclusively for the lifting and carrying of implements of husbandry, when operated or moved upon a highway.

(2) A two-wheeled trailer having no bed, and designed and used solely for transporting a hay loader.

(3) A spray rig designed and used exclusively for spraying in the conduct of agricultural operations.

(4) A nurse rig or equipment auxiliary to the use of and designed or modified for the fueling, repairing, or loading of a spray rig or an airplane used for the dusting, spraying, fertilizing, or seeding of crops.

(5) A row duster.

(6) A wagon or van used exclusively for carrying products of farming from one part of a farm to another part thereof, or from one farm to another farm, and used solely for agricultural purposes, including any van used in harvesting alfalfa or cotton, which is only incidentally operated or moved on a highway as a trailer.

(7) A wagon or portable house on wheels used solely by shepherds as a permanent residence in connection with sheep-raising operations and moved from one part of a ranch to another part thereof or from one ranch to another ranch, which is only incidentally operated or moved on a highway as a trailer.

(8) A trap wagon moved from one part of a ranch to another part of the same ranch or from one ranch to another, which is only incidentally operated or moved on a highway.

(9) Any vehicle which is operated upon a highway only for the purpose of transporting agricultural products across a highway and is in no event operated along a highway for a greater distance than one-quarter mile.

(10) A one-axle trailer of the tip-bed type when used exclusively in the transportation of other implements of husbandry.

(11) A portable honey-extracting trailer or semitrailer.

The foregoing list shall be deemed as illustrative and not a list of limitations.

(d) Special mobile equipment.

(e) Any self-propelled wheel chair or invalid tricycle while being operated by a person who by reason of physical disabilities is otherwise unable to move about as a pedestrian.

(f) Special highway construction equipment.

CHAPTER 604

An act to amend Sections 26825, 72055 and 72056 of the Government Code, relating to filing fees for appeals from municipal courts, and fees for filing first papers in municipal courts.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 26825 of the Government Code is amended to read:

26825. The fee for filing the papers transmitted on appeal from a municipal court in a civil action or a special proceeding is six dollars (\$6).

SEC. 2. Section 72055 of the Government Code is amended to read:

72055. The fee for filing the complaint, confession of judgment, or other first paper is four dollars (\$4), to include all proceedings before trial and all services to be performed in a judgment by default or for the trial of either a question of law or fact, including all affidavits, swearing witnesses and jury, and entry of judgment.

SEC. 3. Section 72056 of the Government Code is amended to read:

72056. Except for the purpose of making disclaimer, the fee for filing the first paper on behalf of an intervenor or any party, other than plaintiff, is two dollars (\$2), for each such party.

CHAPTER 605

An act to amend Section 117ha of the Code of Civil Procedure, relating to fee for execution in small claims courts.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 117ha of the Code of Civil Procedure is amended to read:

117ha. No attachment or garnishment shall issue from the small claims court, but execution may issue in the manner prescribed in Title 9 of Part 2 of the Code of Civil Procedure of the State of California without charge; provided, that in any judicial district or city and county wherein a municipal court shall have been established, the marshal of the municipal court is charged with the performance of the duties imposed upon the sheriff and constable.

CHAPTER 606

An act to amend Section 117m of the Code of Civil Procedure, relating to fee for abstract of judgment in small claims courts.

[Approved by Governor May 20, 1955. Filed with Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 117m of the Code of Civil Procedure is amended to read:

117m. If no appeal be taken by the defendant and the defendant fails to pay the judgment according to the terms and conditions thereof, the justice before whom such a hearing was had, or the clerk or deputy clerk of said justice's or municipal court, shall, on application of the plaintiff and without charge, certify such judgment in substantially the following form:

In the Small Claims Court of _____, County of _____, State of California.

_____	} Case No. _____
Plaintiff,	
vs.	
_____	} ABSTRACT OF JUDGMENT
Defendant.	

In the above-entitled court and action on the _____ day of _____, 19____, judgment was entered for plaintiff for \$_____; that no appeal from said judgment has been taken.

Dated this _____ day of _____, 19____.

Justice of said court.

Clerk of said court.

CHAPTER 607

An act to amend Section 4301 of the Government Code, relating to American-made materials.

[Approved by Governor May 20, 1955. Filed with Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4301 of the Government Code is amended to read:

4301. This article does not apply to materials which are of a class or kind which are not, or which are manufactured from materials which are not, produced in the United States, nor to key-driven calculators manufactured in branch plants located outside continental United States, but which plants

are wholly owned and operated by a corporation the majority of whose stock is owned or controlled by an American manufacturer whose principal manufacturing centers and home offices are located in the United States.

CHAPTER 608

An act to repeal Section 628.5 of, and to amend Section 626 of, the Unemployment Insurance Code, relating to unemployment insurance with respect to services excepted from coverage thereunder.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 628.5 of the Unemployment Insurance Code is repealed.

SEC. 2. Section 626 of the Unemployment Insurance Code is amended to read:

626. Agricultural labor includes all services performed on a farm in the employ of any person:

(a) In connection with the preparation, care and treatment of farm land, including leveling for agricultural purposes, plowing, disking, and fertilizing the soil.

(b) In connection with the sowing and planting of any agricultural or horticultural commodity.

(c) In connection with the care of any agricultural or horticultural commodity. As used in this subdivision "care" includes, but is not limited to, cultivation, irrigation, weed control, thinning, heating, fumigating, spraying, and dusting.

(d) In connection with the harvesting of any agricultural or horticultural commodity. As used in this subdivision "harvesting" includes, but is not limited to, picking, cutting, threshing, knocking off, field chopping, bunching, baling (including hay baling), field packing, and placing in field containers or in the vehicle in which the commodity will be hauled on the farm or to the place of first processing. By way of illustration, the placing of cotton in picking bags or other containers or vehicles, the field packing of berries and table and shipping grapes, the field packing of lettuce and other vegetables, the sacking of grain and the sewing of such sacks of grain, are included within the term "harvesting" as used in this subdivision.

(e) In connection with the assembly and storage of any agricultural or horticultural commodity. As used in this subdivision "assembly and storage" includes, but is not limited to, loading, roadsiding, banking, stacking, binning, and piling.

(f) In connection with the raising, feeding and management of livestock, mink, poultry and bees, including, but not limited to, herding, housing, hatching, milking, shearing, handling eggs and extracting honey.

CHAPTER 609

An act to add Section 836.3 to the Penal Code, relating to arrests by peace officers.

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 836.3 is added to the Penal Code, to read:

836.3. A peace officer may make an arrest in obedience to a warrant delivered to him, or may, without a warrant, arrest a person who, while charged with or convicted of a misdemeanor, has escaped from any county or city jail, prison, industrial farm or industrial road camp or from the custody of the officer or person in charge of him while engaged on any county road or other county work or going to or returning from such county road or other county work or from the custody of any officer or person in whose lawful custody he is when such escape is not by force or violence.

CHAPTER 610

An act to amend and renumber Section 21403 to be Section 21404 of, and to add a new Section 21403 to, the Water Code, relating to irrigation districts.

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 21403 of the Water Code is amended and renumbered to read:

21404. The board shall adopt a seal for the district.

Board to
adopt seal

SEC. 2. Section 21403 is added to the Water Code, to read:

21403. Upon authorization by the board, the records of the district may be microfilmed or otherwise photographically reproduced and certified. The microfilming or photographic reproduction must meet the standard specification of the United States Bureau of Standards.

Reproduction
and certification
of
records

The certification of each such reproduction or set of reproductions shall be in accordance with the standards or have the approval of the Attorney General. The certification shall contain a statement of the identity, description, and disposition or location of the records reproduced, the date, reason, and authorization of such reproduction, and such other information as the Attorney General requires.

Such certified photographic reproductions shall be deemed to be original public records for all purposes, including introduction in courts of law and state agencies.

CHAPTER 611

An act to add Section 25800.2 to the Water Code, relating to irrigation district assessments.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 25800.2 is added to the Water Code, to read:

25800.2. In the event the annual assessment for any parcel of land separately assessed, computed pursuant to Sections 25800 and 25801, is less than two dollars (\$2), a minimum annual assessment may be set by the board which shall not exceed two dollars (\$2) for each such separately assessed parcel of land, and upon a determination by the board that a minimum assessment shall be set, the secretary shall enter that assessment for each separately assessed parcel of land for which the annual assessment is less than the amount set by the board.

CHAPTER 612

An act to amend Section 616 of the Vehicle Code, relating to the equipment of vehicles.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 616 of the Vehicle Code is amended to read:

616. Division Refers to Vehicles Upon Highways. The provisions of this division refer exclusively to the equipment of vehicles when operated upon the highways, except where otherwise provided in this division. The provisions of this division apply to all vehicles whether publicly or privately owned when operated upon the highways, including all authorized emergency vehicles, except where specific exemption or provision is made relating thereto.

CHAPTER 613

An act to add Sections 206.5 and 206.7 to the Civil Code, and to amend Section 270c of the Penal Code, relating to the duty of a child to support its parents.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 206.5 is added to the Civil Code, to read:

206.5. Any adult person may file in the superior court a ^{Petition} verified petition alleging that, while he was a minor under 16 years of age, he was abandoned by a parent for a period of three or more years and such parent during such period was physically and mentally able to support such person and praying the court to free such person from the obligation otherwise imposed by law to support such parent. The clerk shall there-^{Hearing} upon set the same for hearing by the court and issue a citation directed to said parent setting forth the time and place of hearing so fixed by him. The citation and a copy of the petition shall be personally served on the parent in the same manner as provided by law for the service of summons at least five days before the time of hearing. If, upon hearing, the court determines that the allegations in the petition are true it shall issue a decree granting the relief prayed for.

SEC. 2. Section 206.7 is added to said code, to read:

206.7. In the event that the parent of a person seeking to maintain an action pursuant to Section 206.5 is an applicant for or recipient of aid under Chapter 1 of Division 3, Chapter 2 of Division 4, Chapter 1 of Part 1 of Division 5, or Chapter 3 of Part 1 of Division 5 of the Welfare and Institutions Code, the person seeking to maintain the action shall first make application to the board of supervisors of the county responsible for granting such aid for an order freeing him from responsibility for the support of his parent. At the time of making such application, the person shall produce proof, either by a person who was in a position to know the facts, other than the parent against whom relief is sought, or by documentary or other reliable evidence, that while he was a minor under 16 years of age he was abandoned by the parent for a period of three or more years and that during such period the parent was physically and mentally able to support him. If the board denies his request or fails to act upon such request within 30 days, such person shall be entitled to file an action pursuant to Section 206.5.

^{Application where parent is recipient of state aid}

SEC. 3. Section 270c of the Penal Code is amended to read:

270c. Except as provided in Section 206.5 of the Civil ^{Penalty} Code, every adult child who, having the ability so to do, fails to provide necessary food, clothing, shelter, or medical attendance for an indigent parent, is guilty of a misdemeanor.

CHAPTER 614

An act to amend Section 15502 of the Corporations Code, relating to limited partnerships.

[Approved by Governor May 20, 1955. Filed with Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 15502 of the Corporations Code is amended to read:

15502. (1) Two or more persons desiring to form a limited partnership shall

(a) Sign and acknowledge certificates in duplicate, which shall state

I. The name of the partnership,

II. The character of the business,

III. The location of the principal place of business,

IV. The name and place of residence of each member; general and limited partners being respectively designated,

V. The term for which the partnership is to exist,

VI. The amount of cash and a description of and the agreed value of the other property contributed by each limited partner,

VII. The additional contributions, if any, agreed to be made by each limited partner and the times at which or events on the happening of which they shall be made,

VIII. The time, if agreed upon, when the contribution of each limited partner is to be returned,

IX. The share of the profits or the other compensation by way of income which each limited partner shall receive by reason of his contribution,

X. The right, if given, of a limited partner to substitute an assignee as contributor in his place, and the terms and conditions of the substitution.

XI. The right, if given, of the partners to admit additional limited partners,

XII. The right, if given, of one or more of the limited partners to priority over other limited partners, as to contributions or as to compensation by way of income, and the nature of such priority,

XIII. The right, if given, of the remaining general partner or partners to continue the business on the death, retirement, or insanity of a general partner, and

XIV. The right, if given, of a limited partner to demand and receive property other than cash in return for his contribution.

(b) File one of said certificates in the clerk's office and file the other for record in the office of the recorder of the county in which the principal place of business of the partnership is situated, in a book to be kept for that purpose open to public inspection.

(2) A limited partnership is formed if there has been substantial compliance in good faith with the requirements of paragraph one.

(3) If the partnership has places of business situated in, or holds title to real property in, different counties it shall cause a copy of the certificate, certified by the recorder in whose office it is recorded, to be recorded in the office of the recorder of each such different county.

(4) Filing and recording of the certificate in accordance with (1)(b) above or recording of a copy of the certificate in accordance with (3) above shall create the same conclusive presumptions as provided in Section 15010.5 of this code; any

other person claiming to be a partner who has been omitted from any such statement shall have the right to file a corrective statement as provided in said Section 15010.5.

CHAPTER 615

An act to amend Section 139.60 of the Vehicle Code, relating to Highway Patrol Officers.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 139.60 of the Vehicle Code is amended to read:

139 60. Examination Age Limits Established. Notwithstanding Section 18932 of the Government Code, the minimum age limit for any examination for the position of State Traffic Officer of the California Highway Patrol shall be 21 years, and the maximum age limit shall be 31 years. The age limits set forth herein shall not affect civil service eligible lists in effect at the time this statute becomes effective.

CHAPTER 616

An act to amend Sections 3087.5, 3088.5, 3473.2 and 3474.5 of the Welfare and Institutions Code, relating to aid to the blind.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3087.5 of the Welfare and Institutions Code is amended to read:

3087.5. The board shall immediately notify the applicant in writing of its decision, and that he may, upon application to the board within 30 days, appear before the board at a time to be fixed by the board, and show cause why the action of the board is not satisfactory. The hearing shall be held within 30 days from the time of application for hearing. Upon good cause shown, the board may reconsider its previous action, and take whatever action the board deems proper upon the application. The decision of the board confirming or reconsidering its previous action shall be rendered within 15 days after the hearing.

The right of hearing by the board of supervisors provided by this section is intended as an alternative to direct appeal to the State Social Welfare Board, and an applicant who has applied for hearing before the board of supervisors shall not

Aid to needy
blind
Hearing by
board

Appeal to
Social Wel-
fare Board

appeal to the State Social Welfare Board until the decision of the board of supervisors has been rendered. After the decision of the board of supervisors has been rendered, the applicant may appeal therefrom to the State Social Welfare Board. An applicant who does not apply for hearing before the board of supervisors may appeal directly to the State Social Welfare Board as provided in Section 104.1.

SEC. 2. Section 3088.5 of said code is amended to read:

Time of
payment

3088.5. Payments of aid shall be made promptly and shall be commenced as of the first day of the month in which the application is granted, unless an earlier date is required by Section 3082 or unless otherwise directed by the State Social Welfare Board in cases in which an appeal is taken; aid shall not commence prior to the date of application, unless otherwise directed by the State Social Welfare Board in cases in which an appeal has been taken on the ground that the county has refused to accept a signed application for aid.

Rejected
applications

An applicant whose application for aid under this chapter has been rejected may not again apply for such aid until the expiration of 90 days from the date the previous application was denied, except with the consent of the county or an order of the State Department of Social Welfare, or until the condition because of which his application was rejected has been eliminated.

SEC. 3. Section 3473.2 of said code is amended to read:

Aid to par-
tially self-
supporting
blind
residents
Hearing by
board of
supervisors

3473.2. The board shall immediately notify the applicant in writing of its decision, and that he may, upon application to the board within 30 days, appear before the board at a time to be fixed by the board, and show cause why the action of the board is not satisfactory. The hearing shall be held within 30 days from the time of application for hearing. Upon good cause shown, the board may reconsider its previous action, and take whatever action the board deems proper upon the application. The decision of the board confirming or reconsidering its previous action shall be rendered within 15 days after the hearing.

Appeal to
Social Wel-
fare Board

The right of hearing by the board of supervisors provided by this section is intended as an alternative to direct appeal to the State Social Welfare Board, and an applicant who has applied for hearing before the board of supervisors shall not appeal to the State Social Welfare Board until the decision of the board of supervisors has been rendered. After the decision of the board of supervisors has been rendered, the applicant may appeal therefrom to the State Social Welfare Board. An applicant who does not apply for hearing before the board of supervisors may appeal directly to the State Social Welfare Board as provided in Section 104.1.

SEC. 4. Section 3474.5 of said code is amended to read:

Time of
payment

3474.5. Payments of aid shall be made promptly and shall be commenced as of the first day of the month in which the application is granted, unless an earlier date is required by Section 3082 or unless otherwise directed by the State Social

Welfare Board in cases in which an appeal is taken; aid shall not commence prior to the date of application, unless otherwise directed by the State Social Welfare Board in cases in which an appeal has been taken on the ground that the county has refused to accept a signed application for aid.

An applicant whose application for aid under this chapter has been rejected may not again apply for such aid until the expiration of 90 days from the date the previous application was denied, except with the consent of the county or an order of the State Department of Social Welfare, or until the condition because of which his application was rejected has been eliminated.

Rejection
applications

CHAPTER 617

An act to amend Section 1278 of the Fish and Game Code, relating to deer license tags.

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1278 of the Fish and Game Code is amended to read:

1278. Any resident of this State 12 years of age or over who possesses a valid hunting license may, upon payment of one dollar (\$1), procure the number of license tags corresponding to the number of deer that may legally be taken by one person during the current license year.

Any nonresident of this State, or any noncitizen of the United States, 12 years of age or over, who possesses a valid hunting license, may, upon payment of ten dollars (\$10), procure the number of license tags corresponding to the number of deer that may legally be taken by one person during the current license year.

CHAPTER 618

An act to amend Section 39.8 of the Fish and Game Code, relating to conservation education.

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 39.8 of the Fish and Game Code is amended to read:

39.8 For the purpose of exhibiting fish and game educational material at fairs, sportsmen's shows, making other public displays and to provide conservation education materials on fish and game available for any public use including fairs, sportsmen's shows, schools and civic organizations the department may:

(a) Accept in behalf of the State donations of money and services from any person, firm or corporation to defray such expenses as may be incurred by the department in connection therewith.

(b) Charge admissions or make a charge for the use of any material or exhibits to be used in a fair, sportsmen's show, or by a civic organization.

All funds derived from such source shall be deposited in the State Treasury to the credit of the Fish and Game Preservation Fund.

CHAPTER 619

An act to amend Section 25642 of the Government Code, relating to the protection of forest, brush, and grasslands against fire or other injury.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 25642 of the Government Code is amended to read:

25642. In addition to any sum chargeable to the county for the repayment of money expended by the State for protection against fire in the county, the board of supervisors may appropriate in any one year such sum of money as the board of supervisors deems necessary for the purpose of protecting forest, brush, and grasslands therein, against fire or other injury, and for aiding the state and federal authorities in forestry work. In any county, the population of which is less than one hundred thousand (100,000) the amount appropriated in any one year for the purposes of this section shall not exceed two cents (\$.02) for each one hundred dollars (\$100) of the assessed valuation of the county.

CHAPTER 620

An act to add Sections 18007.5, 18032, 18033, 18034, 18076, 18077, 18092.1, and 18171.1 to, and to amend Sections 18041, 18062, and 18092 of, the Streets and Highways Code, relating to the Street Lighting Act of 1919.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 18007.5 is added to the Streets and Highways Code, to read:

18007.5. "Maintenance," and any of its variants, as used in this part includes the replacement of any obsolete equipment

"Maintenance"

with the new modern equipment necessary for an adequate street lighting system or systems.

SEC. 2. Section 18032 is added to said code, to read:

18032. If there is more than one street lighting system in any city any or all of such systems may be consolidated and improved under one proceeding. In such case the consolidated system shall be zoned so that those systems of approximately the same general type are grouped together.

Consolidation
and improve-
ment of
lighting
systems

SEC. 3. Section 18033 is added to said code, to read:

18033. Whenever a street lighting system is installed along a boundary line or street of any city, the city council may, by resolution, assess the land abutting upon such boundary line or street for the estimated cost and expense of improving the system, even though the system is partially or entirely without the boundaries of the city.

Assessment

SEC. 4. Section 18034 is added to said code, to read:

18034. If land has been assessed pursuant to Section 18033, the city council may proceed in all respects in connection therewith as though the street lighting system were entirely within the city limits; except that the city council may enter into a contract with the legislative body of the city or county having jurisdiction over the adjoining territory either to improve all or any portion of the street lighting system, or to have all or any portion of the system improved by the legislative body of the adjoining territory. The legislative body contracting to furnish such improvement may enter into any contract or issue any purchase order authorized in this part.

Contracts
to improve
lighting
system

SEC. 5. Section 18041 of said code is amended to read:

18041. Such report shall contain the following:

(a) Plans and specifications which shall set out, among other things, the general type of street lighting system in each zone. The lighting systems to be improved shall be divided into zones and in each zone shall be grouped those systems of approximately the same general type. It shall be sufficient description of the location of the lights to be improved if such plans or specifications show or describe the approximate location of the lights.

Report
Contents

(b) An estimate of the cost of the improvement, for the period of time during which it is proposed to be continued.

(c) A diagram showing the proposed assessment district and also the boundaries and dimensions of the respective lots or parcels of land within the district, each of which lots or parcels shall be given a separate number upon the diagram. The diagram shall govern for all details as to the extent of the proposed assessment district

(d) A proposed assessment of the total amount of the costs and expenses of the proposed improvement upon the several lots or parcels of land in the assessment district in proportion to the estimated benefits to be received by such lots or parcels, respectively, from said improvement. If any portion or percentage of the costs and expenses of such proposed improvement is ordered to be paid out of the city treasury, the amount

of such portion or percentage shall first be deducted from the total estimated cost and expense of such improvement, and the assessment proposed in the report shall include only the remainder of the estimated costs and expenses. The proposed assessment shall refer to such lots or parcels upon the diagram by the respective numbers thereon and it shall show the names of the owners, if known, otherwise designating them as unknown. No mistakes in the name of the owner of any lot or parcel of land shall affect the validity of the assessment thereon.

SEC. 6. Section 18062 of said code is amended to read :

Period of
improvement

18062. The city council shall, in the resolution of intention, provide that the improvement of the street lighting system shall be for a period of time stated in the resolution of intention. The dates of commencement and ending of that period shall be fixed by the city council on or before the date of execution of any contract as provided in this part, or, in the event that no contract is let and the maintenance or servicing is furnished by the city, those dates shall be fixed by the city council on or before the date of ordering the maintenance or servicing by the city. The city council may subsequently postpone the dates of commencement and ending of the period for a reasonable time upon good and sufficient reason appearing therefor and may, in any advertisement for bids and in any contract entered into, reserve the right to make such postponement for such reason.

SEC. 7. Section 18076 is added to said code, to read :

Striking
zone from
proceedings

18076. If there is a majority protest by the landowners in any zone to the improvement in such zone, or if the officer or person designated reports that it is practical to subdivide a zone and a majority of the landowners in such subdivided zone protest the improvement in such subdivided zone, the city council shall strike such zone or subdivided zone from the proceedings and correct the proposed assessment accordingly, unless that body, by a four-fifths affirmative vote of all its members finds that the public interest and convenience require that street lights in that zone or subdivided zone be improved. The determination of the city council shall be final and conclusive.

SEC. 8. Section 18077 is added to said code, to read :

Same Effect

18077. If a zone or subdivided zone is struck from the proceedings, the city council may proceed the same as though that zone or subdivided zone was not a part of the original proceedings.

SEC. 9. Section 18092 of said code is amended to read :

Surplus
assessments

18092. Any surplus assessments collected shall be applied by the city council to reduce the assessment to be levied either for the next ensuing contract year or for the last contract year under the proceedings, and for the latter purpose such surplus may be permitted to accumulate in the assessment fund. Such reductions shall be made as nearly as possible to the zones or

subdivided zones from which such surplus assessments were collected.

SEC. 10. Section 18092.1 is added to said code, to read:

18092.1. If there is any surplus remaining at the close of the last contract year under any proceedings, such surplus shall be used as follows:

Use of
surplus

(a) If new proceedings are started within one year after the close of the last contract year, such surplus shall be applied toward a reduction of the first installment of the new assessment. Such part of the surplus as was collected from each zone or subdivided zone shall be applied to reduce the installment levied against that zone or subdivided zone.

(b) If new proceedings are not started within the one-year period or if one or more zones or subdivided zones are omitted for any reason from the new proceedings any such surplus or the surplus attributable to such omitted zones or subdivided zones shall become and remain a part of the general funds of the city.

SEC. 11. Section 18171.1 is added to said code, to read:

18171.1. Within 10 days after the establishment of the district, the governing body shall advertise for bids for installing and maintaining the system and for servicing the same. The contract shall be awarded to the lowest responsible bidder. The contract for service shall be for a period not less than three years from and after the date electric energy and service is first delivered to the lighting district pursuant to such contract and shall be extended automatically thereafter for successive terms of one year each; provided, that the agreement may be terminated by either party upon not less than sixty (60) days' written notice prior to the expiration date of the original term or any extended term.

Advertising
for bids,
award of
contract, etc

CHAPTER 621

An act to add Section 714.1 to the Vehicle Code, relating to commercial vehicles.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 714.1 is added to the Vehicle Code, to read:

714.1. When Counties May Close Highways to Commercial Vehicles.

(a) Notwithstanding the provisions of Section 714, any county may by ordinance prohibit the use of any street, road, or highway located in an unincorporated residential subdivision area by any commercial vehicle exceeding a gross weight of 14,000 pounds, except as otherwise provided in this section.

When
counties may
close high-
ways to
commercial
vehicles

(b) No such ordinance adopted pursuant to this section shall be effective with respect to:

Exceptions

(1) Any vehicle which is subject to the provisions of Article 2 of Chapter 5 of Part 1 of Division 1 of the Public Utilities Code.

(2) Any street, road, or highway which is a through highway or was a through highway on or after January 1, 1955.

(3) Any street, road, or highway any portion of which is also under the jurisdiction of a city, unless the consent of the governing body of such city is first obtained.

(4) Any commercial vehicle coming from an unrestricted street, road, or highway having ingress and egress by direct route to and from such restricted streets, roads, and highways when necessary for the purpose of making pickups or deliveries of goods, wares, and merchandise from or to any building or structure located on such restricted streets, roads, or highways or for the purpose of delivering materials to be used in the actual and bona fide repair, alteration, remodeling, or construction of any building or structure upon such restricted street, road, or highway for which a building permit has previously been obtained therefor.

(5) The operation of ambulances or hearses.

(6) Any vehicle owned, operated, controlled, or used by a public utility in connection with the construction, installation, operation, maintenance, or repair of any public utility facilities.

(7) Any state highway, until such proposed ordinance has been submitted by the board of supervisors of such county to and approved in writing by the Department of Public Works. In submitting such a proposed ordinance to the department for approval, the board of supervisors shall designate therein, an alternate route or routes for the use of such vehicles which shall remain unrestricted by any local regulation as to commercial vehicles so long as the ordinance proposed shall remain in effect. The approval of such proposed ordinance by the Department of Public Works shall constitute an approval by the department of such alternate route or routes so designated.

(8) Vehicles operated as an incident to any industrial, commercial or agricultural enterprise conducted within the boundaries of such residential area as described herein.

Designation
of routes

(c) No such ordinance shall be effective until appropriate signs are erected indicating either those streets, roads, or highways affected by such ordinance or those streets, roads, or highways not so affected as the county may determine will best serve to give notice of such ordinance nor shall any such ordinance be effective with respect to any county street, road or highway unless the board of supervisors designates in such ordinance an alternate route or routes for the use of such vehicles which shall remain unrestricted by any local regulation as to commercial vehicles so long as the ordinance proposed shall remain in effect.

CHAPTER 622

An act to add Section 4905.2 to the Education Code, relating to school districts.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4905.2 is added to the Education Code, to read:

4905.2. In any proposal for unification recommended by a county committee, the committee may include a provision for the authorization of a maximum tax rate for the proposed unified district, and such provision shall be considered an inherent part of the proposal, and not be construed as a separate proposition. If the unification is approved by the registered voters of the area, such tax rate shall be the maximum tax rate for the unified district in lieu of any rate specified in Section 6357 until changed by the registered voters of the district in the manner prescribed in Section 6358. Such tax rate established by the county committee shall not be less than the tax rates for a unified district provided in Section 6357 nor more than a rate which would produce revenue for the proposed unified district equal to the sum of the revenue of each of the component districts had the maximum allowable tax rate been in effect in each component district during the school year immediately preceding the date upon which the unification would be effective for all purposes.

CHAPTER 623

An act to add Section 4230 to, and to amend Section 4232 of the Education Code, relating to school districts.

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4230 is added to the Education Code, to read:

4230. "High school district," as used in this chapter, means high school district or unified school district.

SEC. 2 Section 4232 of said code is amended to read:

4232. Junior college districts shall be formed pursuant to this article.

CHAPTER 624

An act to amend Sections 34080, 34302, 34318, 34321, 34326, 34403, 34405, 34407, 34409, 34452, 34600, 34605, 34606, 34607, 34700, 34876, 35729, 35837, 35838, 36501, 36511, 37113, 37421, 37600, 37650, 38600, 38601, 38630, 38631, 38660, 38791, 38792, 40601, and 51300; the headings of Chapters 5 and 6 and Articles 3 and 4 of Chapter 7, Part 1, Division 2, Title 4; the headings of Articles 2 and 4 of Chapter 2, Article 3 of Chapter 5, Article 2 of Chapter 6, Articles 1 and 3 of Chapter 13, Articles 2 and 4 of Chapter 14, Article 3 of Chapter 15, and Articles 1 and 3 of Chapter 18, Part 2, Division 3, Title 4; the headings of Articles 4 and 5, Chapter 1, Division 4, Title 4; and the heading of Article 2, Chapter 2, Division 5, Title 4 of; to repeal Sections 34100 to 34120, inclusive, 34601 to 34604, inclusive, 34608, 34850, 34870, 36500, 36800, 36930, 37112, 37200, 37381, 37540, 37900, 37930, 38602 to 38610, inclusive, 38632, 38633, 38770, 38772, 38793, 38794, 38901, 39500, 39730, 39960, 40400, 40600, 40605, 40606, 40800, 41000, 41200, 41600, 41800, 43060, 45340 and 55630; Articles 1 and 2 of Chapter 7, Part 1, Division 2, Title 4; Chapter 2, Part 1, Division 3, Title 4; Article 2 of Chapter 1, Article 3 of Chapter 2, Article 2 of Chapter 4, Article 3 of Chapter 14, Article 4 of Chapter 15, and Article 2 of Chapter 18, Part 2, Division 3, Title 4; Article 2 of Chapter 2, Article 2 of Chapter 3, Article 2 of Chapter 6, Article 2 of Chapter 7, and Chapter 8, Part 3, Division 3, Title 4; and Article 2, Chapter 1, Division 4, Title 4; and the heading of Chapter 1, Part 1, Division 3, Title 4; the headings of Article 1 of Chapter 1 and Article 1 of Chapter 4, Part 2, Division 3, Title 4; the headings of Article 1 of Chapter 2, Article 1 of Chapter 3, Article 1 of Chapter 6, and Article 1 of Chapter 7, Part 3, Division 3, Title 4; and the heading of Article 3, Chapter 1, Division 4, Title 4 of; and to add Sections 34100, 34101, and 34102 to, the Government Code; to amend Sections 2102.1, 2103, 2103.1, 4623, and 14108, and to repeal Section 4622 of, the Education Code; to amend Sections 5932.5, 9700, 9705, 10000, and 11170, and the headings of Chapters 2 and 3, Part 2, Division 11, and to repeal Section 9704 of, the Elections Code; and to amend Section 555 of the Labor Code; relating to the classification of cities.

In effect
September
7, 1955

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 34080 of the Government Code is amended to read:

Affidavit

34080. The clerk of the legislative body conducting the proceeding shall file with the recorder of the county in which the city is located, an affidavit stating that all requirements

of law pertaining to the proceeding have been complied with, if it relates to:

- (a) Incorporation of territory as a city.
- (b) Consolidation of cities.
- (c) Change of name of a city.
- (d) Disincorporation of a city.
- (e) Annexation of territory to, or exclusion of territory from, a city.
- (f) The boundaries of any city.

The city shall not perform any official act, the validity of which depends upon such proceedings, until the affidavit of completion has been filed.

SEC. 2. Section 34302 of said code is amended to read:

34302. Any portion of a county, if such portion contains not less than 500 inhabitants and is not incorporated as a city, may become incorporated pursuant to this chapter. Incorporation of city

SEC. 3. Section 34318 of said code is amended to read:

34318. The board shall give notice of an election to be held in the proposed city for the purpose of determining whether it is to become incorporated, and shall provide for the election of the officers required to be elected. Notice of election

SEC. 4. Section 34321 of said code is amended to read:

34321. The notice shall require the voters to cast ballots containing the words "for incorporation" and "against incorporation," and the names of persons to be voted for to fill the prescribed elective offices. Ballots

SEC. 5. Section 34326 of said code is amended to read:

34326. If the majority of the votes cast is for incorporation, by an order entered upon its minutes, the board shall declare the territory incorporated as a city, give it a name and declare the persons receiving the highest number of votes for the several offices to be elected to those offices. Declaration

SEC. 6. Section 34403 of said code is amended to read:

34403. The notice shall distinctly state the proposition to be submitted and invite the electors to vote upon the proposition by placing upon their ballots "For reorganization," or "against reorganization," or equivalent words. Notice Contents

SEC. 7. Section 34405 of said code is amended to read:

34405. If a majority of all the electors voting at the election vote for reorganization, the legislative body, by an order entered upon the minutes, shall cause the clerk to transmit to the Secretary of State a certified abstract of the vote. Certified abstract of vote

SEC. 8. Section 34407 of said code is amended to read:

34407. The legislative body shall immediately call a special election, to be held within six weeks, for the election of officers required to be elected. Special election

SEC. 9. Section 34409 of said code is amended to read:

34409. From the date of the entry, the city is organized with the powers of general law cities. Powers

SEC. 10. Section 34452 of said code is amended to read:

34452. If two-thirds of the electors voting at the election vote to abandon the charter and reorganize pursuant to this Vote to abandon charter, etc

chapter, 30 days after the election the city ceases to be organized under its charter. The charter is superseded by the laws applicable to general law cities.

SEC. 11. The heading of Chapter 5, Part 1, Division 2, Title 4 of said code is amended to read:

CHAPTER 5. REORGANIZED CITIES

SEC. 12. Section 34600 of said code is amended to read:

Fifth class
cities

34600. The provisions of this chapter shall apply only to fifth class cities reorganized as sixth class cities under prior existing laws.

SEC. 13. Section 34605 of said code is amended to read:

Officers

34605. The officers of such reorganized city shall continue to hold office until the next general municipal election in general law cities and until their successors are elected and qualified. The provisions of Section 36504 of this code shall determine the terms of the first members of the city council elected after the adoption of the reorganization ordinance. Upon qualification of the elected officers, all persons in possession of the offices of the city shall surrender possession, and deliver to the new officers all money, books, papers, and other city property.

SEC. 14. Section 34606 of said code is amended to read:

Title to
property,
etc

34606. The reorganization of such a city does not affect the title to any property held by the city, or in trust for the city, or any debts, liabilities, or obligations in favor of or against the city, or proceedings then pending.

SEC. 15. Section 34607 of said code is amended to read:

City
ordinances

34607. If city ordinances are not in conflict with laws relating to general law cities, reorganization does not affect them, or any liability incurred for their violation.

SEC. 16. The heading of Chapter 6, Part 1, Division 2, Title 4 of said code is amended to read:

CHAPTER 6. DISINCORPORATION

SEC. 17. Section 34700 of said code is amended to read:

Disincor-
poration

34700. A city may disincorporate pursuant to this chapter.

SEC. 18. The heading of Article 3, Chapter 7, Part 1, Division 2, Title 4 of said code is amended and renumbered to read:

Article 1. City Manager

SEC. 19. The heading of Article 4, Chapter 7, Part 1, Division 2, Title 4 of said code is amended and renumbered to read:

Article 2. Election of Legislative Body by Districts

SEC. 20. Section 34876 of said code is amended to read:

Election by
districts

34876. If the petition for incorporation of a city provides for the election of members of the legislative body by districts

and includes substantially the provisions required to be included in an ordinance providing for such election, the members shall be elected pursuant to this article.

SEC. 21. Section 35729 of said code is amended to read:

35729. If the consolidating city is organized pursuant to Part 1 or its predecessors, upon the filing of the original abstract the legislative body of the consolidating city shall call a special election, to be held within 90 days of such filing in all the cities, for the election of the officers required to be elected. Special election

SEC. 22. Section 35837 of said code is amended to read:

35837. If the consolidating city is organized pursuant to Part 1 or its predecessors, the initiating city is merged into and shall be governed in the name of the consolidating city. Merger

SEC. 23. Section 35838 of said code is amended to read:

35838. This article shall not be construed to prevent any consolidated city from framing and adopting a new charter after consolidation. Construction of article

SEC. 24. Section 36501 of said code is amended to read:

36501. The government of a city is vested in:

Officers

(a) A city council of five members.

(b) A city clerk.

(c) A city treasurer.

(d) A chief of police.

(e) Such subordinate officers or employees as are provided for by law.

SEC. 25. Section 36511 of said code is amended to read:

36511. The petition for incorporation of a city may provide for the appointment of the elective officers, or any of them except councilmen. If it does, a separate election upon the question need not be held, and upon incorporation the city council shall appoint such officers. Appointment of elective officers

SEC. 26. The heading of Article 2, Chapter 2, Part 2, Division 3, Title 4 of said code is amended to read:

Article 2. Enactment

SEC. 27. The heading of Article 4, Chapter 2, Part 2, Division 3, Title 4 of said code is amended and renumbered to read:

Article 3. Codification

SEC. 28. Section 37113 of said code is amended and renumbered to read:

37112. In addition to other powers, a legislative body may perform all acts necessary or proper to carry out the provisions of this title. Legislative body Powers

SEC. 29. The heading of Article 3, Chapter 5, Part 2, Division 3, Title 4 of said code is amended to read:

Article 3. Sale of Buildings and Sites

SEC. 30. Section 37421 of said code is amended to read:

Sale of public buildings, etc 37421. When the legislative body of a city finds the public interest and convenience require the sale of any public building and site dedicated to a public use, it may adopt a resolution of its finding and intention to sell the property.

SEC. 31. Section 37600 of said code is amended to read:

Municipal hospital 37600. This article applies only to cities where a municipal hospital has not been established.

SEC. 32. Section 37650 of said code is amended to read:

37650. This article applies only to cities where a municipal hospital has not been established.

SEC. 33. The heading of Article 2, Chapter 6, Part 2, Division 3, Title 4 of said code is amended to read:

Article 2. Security

SEC. 34. Section 38600 of said code is amended to read:

Fire protection 38600. The legislative body of a city may provide fire engines and all other necessary or proper apparatus for the prevention and extinguishment of fires.

SEC. 35. Section 38601 of said code is amended to read:

Fire limits, etc 38601. The legislative body of a city may:
 (a) Establish and maintain fire limits.
 (b) Regulate building and construction and removal of buildings within the city.

SEC. 36. Section 38630 of said code is amended to read:

Police department 38630. The police department of a city is under the control of the chief of police.

SEC. 37. Section 38631 of said code is amended to read:

Chief of police 38631. The chief of police of a city may:
 (a) Appoint one or more police officers subject to the approval of the legislative body.
 (b) Appoint additional police officers with the concurrence of the mayor when they deem it necessary for the preservation of the public order.

SEC. 38. Section 38660 of said code is amended to read:

Legislative body. Powers 38660. The legislative body of a city may:
 (a) Regulate the construction of and the materials used in all buildings, chimneys, stacks, and other structures and in foundations and foundation walls.

(b) Regulate the construction, repair, or alteration of buildings pursuant to Health and Safety Code Section 15153.

(c) Prevent the erection and maintenance of unsafe building walls, chimneys, stacks, or other structures.

(d) Provide for the summary abatement, destruction, or removal of such unsafe structures and of unsightly or partially destroyed buildings.

(e) Regulate the construction and location of drains and sewers.

(f) Regulate the materials used in wiring structures for electricity and in piping them for a water, gas, or electric supply, and regulate the manner of such piping.

(g) Prohibit the construction of structures not conforming to such regulations.

SEC. 39. Section 38791 of said code is amended to read:

38791. By ordinance the legislative body of a city may provide for a chief executive who, during periods of great public calamity such as extraordinary fire, flood, storm, epidemic, earthquake, sabotage or enemy attack, shall have complete authority over the city and the right to exercise all police power vested in the city by the Constitution and general laws.

SEC. 40. Section 38792 of said code is amended to read:

38792. The legislative body of a city may impose and collect an annual license not exceeding two dollars (\$2) on every male dog and four dollars (\$4) on every female dog owned or harbored within the city limits.

SEC. 41. The heading of Article 1, Chapter 13, Part 2, Division 3, Title 4, is amended to read:

Article 1. General

SEC. 42. The heading of Article 3, Chapter 13, Part 2, Division 3, Title 4 of said code is amended and renumbered to read:

Article 2. Alternative Procedures

SEC. 43. The heading of Article 2, Chapter 14, Part 2, Division 3, Title 4 of said code is amended and renumbered to read:

Article 1. General

SEC. 44. The heading of Article 4, Chapter 14, Part 2, Division 3, Title 4 of said code is amended and renumbered to read:

Article 2. Facilities in Aid of Public Utilities

SEC. 45. The heading of Article 3, Chapter 15, Part 2, Division 3, Title 4 of said code is amended to read:

Article 3. Powers

SEC. 46. The heading of Article 1, Chapter 18, Part 2, Division 3, Title 4, is amended to read:

Article 1. General

SEC. 47. The heading of Article 3, Chapter 18, Part 2, Division 3, Title 4 is amended and renumbered to read:

Article 2. Drawbridges

SEC. 48. Section 40601 of said code is amended to read:

40601. In the absence of the mayor, the mayor pro tempore shall exercise the powers granted in this chapter.

SEC. 49. The heading of Article 4, Chapter 1, Division 4, Title 4 of said code is amended and renumbered to read:

Article 2. Alternative Methods

SEC. 50. The heading of Article 5, Chapter 1, Division 4, Title 4 of said code is amended and renumbered to read:

Article 3. Fiscal Year in Chartered Cities

SEC. 51. The heading of Article 2, Chapter 2, Division 5, Title 4 of said code is amended to read:

Article 2. Pension and Retirement Systems

SEC. 52. Section 51300 of said code is amended to read:
 Population over 1,900,000 51300. This chapter does not apply to cities containing a population of over 1,900,000 according to the 1950 federal census or to cities which are also cities and counties.

Repeals SEC. 53. The following portions of the Government Code are repealed:

Sections 34100-34120, inclusive
 Sections 34601-34604, inclusive
 Section 34608
 Articles 1 and 2, Chapter 7, Part 1, Division 2, Title 4
 (Sections 34800-34832, inclusive)
 Section 34850
 Section 34870
 Heading of Chapter 1, Part 1, Division 3, Title 4
 Section 36500
 Chapter 2, Part 1, Division 3, Title 4 (Sections 36600-36630, inclusive)
 Heading of Article 1, Chapter 1, Part 2, Division 3, Title 4
 Section 36800
 Article 2, Chapter 1, Part 2, Division 3, Title 4 (Sections 36830-36842, inclusive)
 Section 36930
 Article 3, Chapter 2, Part 2, Division 3, Title 4 (Sections 36950-36958, inclusive)
 Section 37112
 Heading of Article 1, Chapter 4, Part 2, Division 3, Title 4
 Section 37200
 Article 2, Chapter 4, Part 2, Division 3, Title 4 (Sections 37230-37234, inclusive)
 Section 37381
 Section 37540
 Section 37900
 Section 37930
 Sections 38602-38610, inclusive
 Section 38632
 Section 38633
 Section 38770

Section 38772

Section 38793

Section 38794

Section 38901

Section 39500

Section 39730

Article 3, Chapter 14, Part 2, Division 3, Title 4 (Sections 39760-39762, inclusive)

Section 39960

Article 4, Chapter 15, Part 2, Division 3, Title 4 (Section 39990)

Section 40400

Article 2, Chapter 18, Part 2, Division 3, Title 4 (Sections 40430-40433, inclusive)

Section 40600

Section 40605

Section 40606

Heading of Article 1, Chapter 2, Part 3, Division 3, Title 4
Section 40800

Article 2, Chapter 2, Part 3, Division 3, Title 4 (Sections 40840-40862, inclusive)

Heading of Article 1, Chapter 3, Part 3, Division 3, Title 4
Section 41000

Article 2, Chapter 3, Part 3, Division 3, Title 4 (Sections 41030-41035, inclusive)

Section 41200

Heading of Article 1, Chapter 6, Part 3, Division 3, Title 4
Section 41600

Article 2, Chapter 6, Part 3, Division 3, Title 4 (Sections 41640-41653, inclusive)

Heading of Article 1, Chapter 7, Part 3, Division 3, Title 4
Section 41800

Article 2, Chapter 7, Part 3, Division 3, Title 4 (Sections 41830-41834, inclusive)

Chapter 8, Part 3, Division 3, Title 4 (Sections 42000-42021, inclusive)

Article 2, Chapter 1, Division 4, Title 4 (Sections 43030-43038, inclusive)

Heading of Article 3, Chapter 1, Division 4, Title 4

Section 43060

Section 45340

Section 55630

SEC. 54. Sections 34100, 34101 and 34102 are added to said code, to read:

34100. Cities are classified as provided in this chapter.

34101. Cities organized under a charter shall be "chartered cities"

34102. Cities organized under the general law shall be "general law cities."

SEC. 55. Section 2102.1 of the Education Code is amended to read:

Classifi-
cation
"Chartered
cities"

"General
law cities"

School
district
Governing
board

2102.1. In any school district situated wholly or partly within a city containing a population of over 1,900,000 according to the 1950 federal census, the governing board shall be composed of seven members holding office numbers 1, 2, 3, 4, 5, 6, and 7, and shall be elected at large at the same time and in the same manner as the members of the city council of said city, and shall serve for a term of four years. The four members of such board whose terms of office expire July 1, 1947, shall be considered as holding office numbers 1, 3, 5, and 7 (such members within 15 days after the effective date of this act to determine by lot at a regular board meeting the number of the office each holds), and the remaining offices shall be known as office numbers 2, 4, and 6 (to be allocated by lot in the same manner as hereinbefore provided for office numbers 1, 3, 5, and 7). All such members' terms shall commence on the first day of July next succeeding their election.

Compen-
sation

SEC. 56. Section 2103 of said code is amended to read:

2103. In any school district situated wholly or partly within a city containing a population of over 1,900,000 according to the 1950 federal census, each member of the city board of education shall receive as compensation for his services the sum of thirty dollars (\$30) for each meeting of the board actually attended, not to exceed three hundred dollars (\$300) in any one calendar month. A member may be paid for any meeting when absent if the board by resolution duly adopted and spread upon its minutes finds that at the time of the meeting he is performing services outside the meeting for the school district or districts. The compensation shall be a charge against the funds of the school district. If the city board of education is the governing board of more than one school district the compensation shall be charged against and paid by the respective school districts in the same proportion as the salary of the city superintendent of schools is charged against them. Compensation shall be reduced by an amount equal to any salary or compensation paid to the members of the city board of education from any funds of the city.

Same

SEC. 57. Section 2103.1 of said code is amended to read:

2103.1. In any school district situated wholly or partly within a city containing a population of over 350,000 and less than 1,900,000 according to the 1950 federal census and which is not a city and county, each member of the city board of education may receive as compensation for his services the sum of twenty-five dollars (\$25) for each meeting of the board actually attended, not to exceed one hundred dollars (\$100) in any one calendar month. A member may be paid for any meeting when absent if the board by resolution duly adopted and spread upon its minutes finds that at the time of the meeting he is performing services outside the meeting for the school district or districts. The compensation shall be a charge against the funds of the school district. If the city board of education is the governing board of more than one school district the compensation shall be charged against and paid by

the respective school districts in the same proportion as the salary of the city superintendent of schools is charged against them. Compensation shall be reduced by an amount equal to any salary or compensation paid to the members of the city board of education from any funds of the city.

SEC. 58. Section 4622 of said code is repealed.

Repeal

SEC. 59. Section 4623 of said code is amended to read:

4623. Each unified school district which is not coterminous with and does not include within its boundaries a chartered city or city and county, and which had an average daily attendance during the preceding school year of less than 1,500 shall be governed by an elective board of trustees of five members.

Elective
board of
trustees

The members of the governing board of any elementary school district which is merged into a unified school district of the type described in this section shall become members of the governing board of the unified school district and shall serve as such for the unexpired term for which they were elected or appointed as members of the governing board of the elementary school district. If the governing board of the elementary school district consists of only three members, the county superintendent of schools having jurisdiction over the unified school district shall appoint two additional members to the board to serve until the members elected at the next succeeding election for members of the governing board of the unified school district take office.

Merger with
unified
district

SEC. 60. Section 14108 of said code is amended to read:

14108. Members of the commission may be paid five dollars (\$5) per meeting but not over fifty dollars (\$50) per month, except that in any school district situated wholly or partly within a city containing a population of over 1,900,000 according to the 1950 federal census members of the commission may be paid twenty dollars (\$20) per meeting but not over one hundred dollars (\$100) per month.

Members of
commission
Compensation

SEC. 61. Section 5932.5 of the Elections Code is amended to read:

5932.5. The ballots referred to in Section 5932 shall be received not later than 16 days after the day of election, except in the case of a municipal election in a general law city in which case such ballots shall be received by the clerk as provided in Section 5932.

Ballots

SEC. 62. The heading of Chapter 2, Part 2, Division 11 of said code is amended to read:

CHAPTER 2. GENERAL REGULATIONS GOVERNING ELECTIONS IN CITIES

SEC. 63. Section 9700 of said code is amended to read:

9700. Whenever the term "municipal election" is used in this chapter, it refers to elections in general law cities and where applicable in chartered cities.

"Municipal
election"

SEC. 64. Section 9704 of said code is repealed.

Repeal

General
election

SEC. 65. Section 9705 of said code is amended to read:

9705. A general municipal election shall be held in all cities on the day specified in the Government Code.

SEC. 66. The heading of Chapter 3, Part 2, Division 11 of said code is amended to read:

CHAPTER 3. EMERGENCY ELECTIONS IN CITIES

Petition to
Governor

SEC. 67. Section 10000 of said code is amended to read:

10000. The voters of a city may present a petition to the Governor, for the appointment of three commissioners of election pursuant to this chapter if:

(a) The city has failed to elect officers in accordance with its charter, and there are no officers to carry on the city government, or call an election of officers.

(b) The city has attempted to adopt a freeholders charter under the provisions of the State Constitution, and has failed to legally elect officers, and such freeholders charter is held to be invalid.

Applicability

SEC. 68. Section 11170 of said code is amended to read:

11170. The provisions of this Article 2 shall apply only to proceedings in a city containing a population of over 300,000 and less than 350,000 according to the 1950 federal census. The holder of any elective office in such a city, after he has held his office for at least six months, may be removed or recalled at any time by the voters qualified to vote for his successor in the manner provided for in this article.

Recall

Applicability

SEC. 69. Section 555 of the Labor Code is amended to read:

555. Sections 550, 551, 552 and 554 of this chapter are applicable to cities which are cities and counties and to the officers and employees thereof.

CHAPTER 625

An act to amend Sections 5234, 5283, 5284, 5342, 5506 and 5701 of the Streets and Highways Code and to add Sections 5197, 5235, 5702 and 5703 to the Streets and Highways Code, relating to proceedings under the Improvement Act of 1911.

In effect
September
7, 1955

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5197 is added to the Streets and Highways Code, to read:

Alternative
notices

5197. As an alternative to the form and contents of the notices prescribed in Sections 5193 and 5195 hereof, said notices may consist of copies of the resolution of intention; provided, that said resolution contains an estimate of the total cost of the proposed work. Copies of the resolution of intention to be posted shall be headed "Notice of Improvement" in letters of not less than one inch in height.

SEC. 2. Section 5234 of the Streets and Highways Code is amended to read:

5234. No changes shall be made pursuant to this chapter ^{Limitations} which will increase the estimated cost by more than 10 percent of the total estimated cost of the work as determined from

(a) The engineer's estimate, if the change is ordered prior to the award of the contract, or

(b) The successful bid, if the change is ordered after the award of the contract;
provided, that any changes so made shall also be subject to the limitations, if any, contained in any law applicable to the proceedings, which law may impose limitations upon the amount by which the estimated cost of the work or improvement may be increased by reason of such changes.

SEC. 3. Section 5235 of the Streets and Highways Code is added, to read:

5235. Any changes made pursuant to this chapter shall ^{Release or discharge of sureties} not release or discharge the sureties upon any bond required under this division.

SEC. 4. Section 5283 of the Streets and Highways Code is amended to read as follows:

5283. The work shall be done under the direction and to the satisfaction of, and the materials used shall comply with the specifications and be to the satisfaction of, either the superintendent of streets or the engineer, whichever may have been designated for that purpose in any plans or specifications approved by the legislative body prior to the adoption of the resolution ordering work and all contracts therefor shall contain a provision to that effect. In all cases where there are no plans or specifications or where the plans and specifications fail to designate either the superintendent of streets or the engineer for said purpose, the work shall be done under the direction and to the satisfaction of the superintendent of streets and the materials used shall comply with the specifications and be to the satisfaction of the superintendent of streets and all contracts made therefor shall contain a provision to that effect unless the legislative body by resolution adopted within 10 days after the passage of the resolution ordering the work directs that the work shall be done under the direction of the engineer and the materials used shall comply with the specifications and be to the satisfaction of the engineer, instead of the superintendent of streets, and in such case the contract shall contain a provision to that effect. ^{Superintendent of work}

SEC. 5. Section 5284 of the Street and Highways Code is amended to read as follows:

5284. The legislative body also may by resolution adopted ^{Engineer may make and sign assessments} at any time before the filing of the assessment with the clerk provide and direct that the assessment thereafter to be made in the proceeding shall be made and signed by the engineer instead of by the superintendent of streets.

SEC. 6. Section 5342 of the Streets and Highways Code is amended to read as follows:

Contents of
diagram

5342. The diagram shall show each separate lot or parcel of land within the limits of the assessment district, and the dimensions of each such lot or parcel of land, and the relative location of the same to the work proposed to be done.

SEC. 7. Section 5506 of the Street and Highways Code is amended to read:

Notice of re-
assessment

5506. If the reassessment is to be against the lots fronting the improvement, this fact shall be stated in the notice. If the reassessment is to be against the property in a district, then this fact shall be stated in the notice. The notice shall describe the district by:

(a) Stating its exterior boundaries; or

(b) Giving a description thereof by any official or recorded map; or

(c) Referring to the reassessment diagram.

Such notice shall be published for five insertions, if the newspaper is a daily, or by two insertions if the newspaper is published less frequently.

SEC. 8. Section 5701 of the Streets and Highways Code is amended to read:

Engineer
of work

5701. In its discretion, the legislative body may employ an engineer of work, other than the engineer or in place of the engineer, and all provisions of this division applicable to the engineer shall apply to such engineer of work. The legislative body shall initially fix or thereafter confirm the compensation of the engineer or engineer of work.

SEC. 9. Section 5702 is added to the Streets and Highways Code, to read:

Signing docu-
ments, etc

5702. The engineer of work may be an individual, joint venture, copartnership or corporation. If the engineer of work employed be an individual, he shall make and sign any certificate or document required to be made or signed by the engineer of work. If the engineer of work employed be a joint venture, copartnership or corporation, the legislative body, either by contract of employment or by resolution, shall designate a member of the joint venture, a partner, an officer of the corporation, or an authorized agent of any of the foregoing to make and sign any certificate or document required to be made or signed by the engineer of work.

SEC. 10. Section 5703 is added to the Streets and Highways Code, to read:

Documents,
etc., where
filed

5703. All certificates or documents required to be signed by or kept on file by the engineer of work shall be kept on file with the superintendent of streets. If a city does not have a superintendent of streets, said certificates or documents shall be kept on file with the clerk or such other officer of the city as may be designated for that purpose by the legislative body.

CHAPTER 626

An act to amend Section 72602 of the Government Code, relating to municipal courts in Los Angeles County.[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]In effect
September
7, 1955*The people of the State of California do enact as follows:*

SECTION 1. Section 72602 of the Government Code is amended to read:

72602. Each of the Los Angeles County municipal courts established in judicial districts shall have the number of judges set out below opposite the name of the judicial district over which such court has jurisdiction:

Whittier Municipal Court District.....	2
San Antonio Municipal Court District.....	3
East Los Angeles Municipal Court District.....	2
Inglewood Municipal Court District.....	2
South Bay Municipal Court District.....	2
Compton Municipal Court District.....	3
Downey Municipal Court District.....	1
Los Angeles Municipal Court District.....	42
Santa Anita Municipal Court District.....	1
Alhambra Municipal Court District.....	2
Los Cerritos Municipal Court District.....	1
Long Beach Municipal Court District.....	5
Beverly Hills Municipal Court District.....	2
Santa Monica Municipal Court District.....	2
Burbank Municipal Court District.....	2
Glendale Municipal Court District.....	2
Pasadena Municipal Court District.....	3
El Monte Municipal Court District.....	2
San Jose Municipal Court District.....	1
South Gate Municipal Court District.....	1

CHAPTER 627

An act to amend Section 25660 of the Business and Professions Code, relating to furnishing of alcoholic beverages to minors.[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]In effect
September
7, 1955*The people of the State of California do enact as follows:*

SECTION 1. Section 25660 of the Business and Professions Code is amended to read:

25660. In any criminal prosecution or proceeding for the suspension or revocation of any license based upon violation of Section 25658, proof that the defendant licensee, or his agent or employee, demanded and was shown, immediately prior to furnishing any alcoholic beverage to a person under

21 years of age, bona fide documentary evidence of majority and identity of the person issued by a federal, state, county, or municipal government, or subdivision or agency thereof, including, but not limited to, a motor vehicle operator's license, a registration certificate issued under the Federal Selective Service Act, or an identification card issued to a member of the armed forces, is a defense to the prosecution or proceeding for the suspension or revocation of any license.

CHAPTER 628

An act to amend Section 40812 of the Government Code, relating to the duties of city clerks.

In effect
September
7, 1955

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 40812 of the Government Code is amended to read:

40812. He shall perform such additional duties as are prescribed by ordinance.

CHAPTER 629

An act to amend Sections 2853, 2855, 2857, and 2860, and to repeal Section 2854, of the Water Code, relating to expenses of determination of water rights.

In effect
September
7, 1955

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2853 of the Water Code is amended to read:

Mailing of
statement of
expense, etc.

2853. A statement setting forth the expense and the apportionments thereof against the respective parties shall be sent by registered mail by the department to each of the parties and filed with the court.

Repeal

SEC. 2. Section 2854 of the Water Code is repealed.

SEC. 3. Section 2855 of the Water Code is amended to read:

Hearing of
objections

2855. Upon application in writing by any party aggrieved within 30 days after the statement of expense and the apportionment thereof has been mailed to the parties, the court shall after expiration of said period set for hearing the determination of any objections to the expense or to the apportionments thereof

SEC. 4. Section 2857 of the Water Code is amended to read:

2857. If no objection is filed with the court within the prescribed period, the court upon ex parte application of the department shall enter an order approving the expense and its apportionment.

Order
approving
expense

SEC. 5. Section 2860 of the Water Code is amended to read:

2860. Upon the expiration of 30 days after notice of an order approving or determining the expense and its apportionment has been mailed by the department to the parties, the order becomes final and all apportionments included therein shall then become due and payable to the department by the respective parties, or their successors in interest, in the amounts so allocated.

When order
becomes
final

CHAPTER 630

An act to amend Section 1080 of the Probate Code, relating to distribution of estates.

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1080 of the Probate Code is amended to read:

1080. When four months have elapsed after the first publication of notice to creditors and a petition for final distribution has not been filed, the executor or administrator, or any person claiming to be an heir of the decedent or entitled to distribution of the estate or any part thereof may file a petition setting forth his claim or reason and praying that the court determine who are entitled to distribution of the estate. The clerk shall set the petition for hearing by the court and give notice thereof for the period and in the manner required by Section 1200 of this code. At least 10 days before the date set for the hearing of such petition by the court, the petitioner shall cause notice of the hearing thereof to be mailed to the executor or administrator and to all legatees and devisees and to all known heirs of the decedent, and to all persons (or their attorneys, if they have appeared by attorney) who have requested notice as provided in Section 1202 of this code, or who have given notice of appearance in person or by attorney, addressed to them at their respective post-office addresses given in their requests for special notice or notice of appearance, if any, otherwise at their respective offices or places of residence, if known, and if not, at the county seat of the county where the proceedings are pending, or to be personally served upon such persons. Any person may appear and file a written statement setting forth his interest in the estate. No other pleadings are necessary and the allegations of each claimant shall be deemed to be denied by each of the other claimants to the extent that they conflict with any claim of the latter.

CHAPTER 631

An act to amend Sections 2043, 2045, 2047, and 2049 of the Water Code, relating to expenses of references by the court of actions to determine water rights.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2043 of the Water Code is amended to read:

Apportion-
ment of
expense

2043. The total expense shall be equitably apportioned by the department against the parties to the suit, and a statement thereof and of the apportionment shall be sent by registered mail by the department to the parties and filed with the court.

SEC. 2. Section 2045 of the Water Code is amended to read:

Hearing of
objections

2045. Upon application in writing by any party aggrieved within 30 days after the statement of final expense and its apportionment has been mailed to the parties, the court shall after expiration of that period set a hearing for the determination of any objections to the expense of the reference or to the apportionment thereof. The clerk of the court shall, at least 10 days prior to the date of hearing, give notice thereof by mail to all parties.

SEC. 3. Section 2047 of the Water Code is amended to read:

Order
approving
expense

2047. If no objection is filed with the court within the prescribed period, the court upon ex parte application of the department shall enter an order approving the expense and its apportionment.

SEC. 4. Section 2049 of the Water Code is amended to read:

When order
becomes
final

2049. Upon the expiration of 30 days after notice of an order approving or determining the expense and its apportionment has been mailed by the department to the parties, the order becomes final and all apportionments of expense included therein shall become due and payable to the department by the respective parties, or their successors in interest, in the amounts so allocated.

CHAPTER 632

An act to add Title 7a, comprising Section 575, to Part 2 of the Code of Civil Procedure, relating to pretrial conferences.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Title 7a, comprising Section 575, is added to Part 2 of the Code of Civil Procedure, to read:

TITLE 7a. PRETRIAL CONFERENCES

575. The Judicial Council may promulgate rules governing pretrial conferences, and the time, manner and nature thereof, in civil cases at issue, or in one or more classes thereof, in the superior courts and in the municipal courts.

CHAPTER 633

An act to amend Section 40602 of the Government Code, relating to municipal contracts.

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 40602 of the Government Code is amended to read:

40602. The mayor shall sign:

(a) All warrants drawn on the city treasurer.

(b) All written contracts and conveyances made or entered into by the city.

(c) All instruments requiring the city seal.

The legislative body may provide by ordinance that the instruments described in (a), (b) and (c) be signed by an officer other than the mayor.

CHAPTER 634

An act to amend Section 25761a of the Revenue and Taxation Code, relating to jeopardy assessments of bank and corporation tax.

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 25761a of the Revenue and Taxation Code is amended to read:

25761a. The jeopardy assessments provided for in this article shall be immediately due and payable and proceedings for collection may be commenced at once. The taxpayer may stay collection and prevent the jeopardy assessment from becoming final by filing, within 10 days after the date of mailing or issuing the notice of jeopardy assessment, a petition for reassessment, accompanied by a bond or other security in such amount as the Franchise Tax Board may deem necessary, not exceeding double the amount, including interest, penalties, and additions thereto, as to which the stay is desired.

If a petition for reassessment, accompanied by bond or other security, is not filed within the 10-day period, the assessment shall become final.

If a petition for reassessment, accompanied by bond or other security, is filed within the 10-day period, the Franchise Tax Board shall reconsider the assessment and, if the taxpayer has so requested in its petition, the Franchise Tax Board shall grant it or its authorized representative an oral hearing. The Franchise Tax Board's action upon the petition for reassessment is final upon the expiration of 30 days from the date when it mails notice of its action to the taxpayer, unless within that 30-day period the taxpayer appeals in writing from the action of the Franchise Tax Board to the board.

The taxpayer may appeal to the board from the Franchise Tax Board's action on the petition for reassessment, the appeal to be made in the manner prescribed by Section 25667. The provisions of Article 1 of Chapter 20 relating to an appeal from the action of the Franchise Tax Board on a protest against an additional tax proposed to be assessed shall be applicable to the appeal.

CHAPTER 635

An act to amend Sections 18645 and 18646 of the Revenue and Taxation Code, relating to jeopardy assessments of personal income tax.

In effect
September
7, 1955

[Approved by Governor May 20, 1955. Filed with
Secretary of State May 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 18645 of the Revenue and Taxation Code is amended to read:

18645. If a petition for reassessment, accompanied by bond or other security, is filed within the 10-day period, the Franchise Tax Board shall reconsider the assessment and, if the taxpayer has so requested in his petition, the Franchise Tax Board shall grant him or his authorized representative an oral hearing. The Franchise Tax Board's action upon the petition for reassessment is final upon the expiration of 30 days from the date when it mails notice of its action to the taxpayer, unless within that 30-day period the taxpayer appeals in writing from the action of the Franchise Tax Board to the board.

SEC. 2. Section 18646 of the Revenue Taxation Code is amended to read:

18646. The taxpayer may appeal to the board from the Franchise Tax Board's action on the petition for reassessment, the appeal to be made in the manner prescribed by Section 18594. The provisions of Article 2 of Chapter 18 relating to an appeal from the action of the Franchise Tax Board on a protest against an additional tax proposed to be assessed shall be applicable to the appeal.

CHAPTER 636

An act to amend Sections 4621, 4622, 4623, 4624, and 4626 of, and to add Section 4623.5 to the Education Code, relating to school districts.

[Approved by Governor May 20, 1955. Filed with Secretary of State May 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4621 of the Education Code is amended to read:

4621. Each unified school district which is coterminous with or includes within its boundaries a chartered city or city and county shall be governed by the board of education provided for in the charter of the city or city and county. Board of
education
Membership

If a unified district includes a chartered city and the charter does not provide for a method of selecting the board of education of the city or the charter provides that this code shall apply, the governing board of the unified district shall be elected at large and any registered voter residing in the district is eligible to serve as a member of the board.

SEC. 2. Section 4622 of said code is amended to read:

4622. Each unified school district which is coterminous with or includes within its boundaries any city of the first to fifth classes, inclusive, or which had an average daily attendance during the school year preceding the effective date of its formation of 1,500 or more, shall be governed by an elective board of education of five members. Same

SEC. 3. Section 4623 of said code is amended to read:

4623. Each unified school district which is not coterminous with and does not include within its boundaries a chartered city or city and county, or a city of the first to fifth classes, inclusive, and which had an average daily attendance during the preceding school year of less than 1,500 shall be governed by an elective board of trustees of five members. Same

SEC. 4. Section 4623.5 is added to said code, to read:

4623.5. Upon the formation of a unified school district, the county superintendent of schools having jurisdiction shall call and set the date for an election for the purpose of electing the governing board of the district. Such call shall be issued not later than the fourth Friday of January next succeeding the formation of the district. The election shall be called, held, and conducted as are elections for members of governing boards of elementary school districts. Except as hereinafter provided, the terms of board members of the unified school district shall be four years. Election
upon forma-
tion of
unified
district

The first members of the governing board of a unified school district shall take office on the first day of the second calendar month following their election. Term

The term of office of the members of the governing board of a unified school district elected subsequent to the election of

the first members of the board shall begin on the first day of July next following their election.

At the initial meeting of the governing board of a newly formed unified school district, it shall elect one of its members as chairman, and shall designate a temporary secretary. The term of office of each member of the first governing board shall be determined by lot. The term of one member shall expire on June 30th of the year following his election. The term of one member shall expire on June 30th of the second year following his election, and the term of one member shall expire on June 30th of the third year following his election, and the terms of two members shall expire on June 30th of the fourth year following their election.

SEC. 5. Section 4624 of said code is amended to read:

Annual
election

4624. On the day prescribed by this code for the holding of elections for members of boards of trustees of elementary school districts during each school year, an election shall be held in each unified school district which is not coterminous with and does not include within its boundaries a chartered city or city and county the charter of which provides for a board of education, for the election of members of the governing board of the unified school district. The election shall be called, held, and conducted as are elections for members of boards of trustees of elementary school districts.

SEC. 6. Section 4626 of said code is amended to read:

Vacancies

4626. Vacancies occurring on the governing board of any unified school district not governed by a board of education under the provisions of a city or city and county charter, the charter of which provides another method of filling vacancies on the board, shall be filled by appointment by the remaining members of the board for the remainder of the unexpired term. If the remaining members of the board fail to agree within 90 days, the county superintendent of schools shall appoint a person to fill the vacancy for the remainder of the unexpired term.

CHAPTER 637

An act to amend Section 404 of the Vehicle Code, relating to service of process on nonresident.

In effect
September
7, 1955

[Approved by Governor May 20, 1955 Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 404 of the Vehicle Code is amended to read:

404. Service of Process on Nonresident or His Executor or Administrator. (a) The acceptance by a nonresident of the rights and privileges conferred upon him by this code or any use of the highways of this State as evidenced by the operation by himself or agent of a motor vehicle upon the highways of

this State or in the event such nonresident is the owner of a motor vehicle then by the operation of such vehicle upon the highways of this State by any person with his express or implied permission, is equivalent to an appointment by such nonresident of the director or his successor in office to be his true and lawful attorney upon whom may be served all lawful processes in any action or proceeding against said nonresident operator or nonresident owner growing out of any accident or collision resulting from the operation of any motor vehicle upon the highways of this State by himself or agent, which appointment shall also be irrevocable and binding upon his executor or administrator. Where the nonresident has died prior to the commencement of an action brought pursuant to this section, service of process shall be made on the executor or administrator of such nonresident in the same manner and on the same notice as is provided in the case of the nonresident. Where an action has been duly commenced under the provisions of this section by service upon a defendant who dies thereafter, the court must allow the action to be continued against his executor or administrator upon motion with such notice as the court deems proper.

(b) The acceptance of such rights and privileges or use of said highways shall be a signification of the irrevocable agreement of said nonresident, binding as well upon his executor or administrator, that any such process against him which is served in the manner herein provided shall be of the same legal force and validity as if served on said nonresident personally in this State.

(c) Service of such process shall be made by leaving a copy of the summons and complaint with a fee of two dollars (\$2) for each nonresident to be so served in the hands of the director or in his office at Sacramento and such service shall be a sufficient service on said nonresident subject to compliance with subdivision (d) hereof.

(d) A notice of such service and a copy of the summons and complaint shall be forthwith sent by registered mail by the plaintiff or his attorney to said defendant. Personal service of such notice and a copy of the summons and complaint upon said defendant wherever found outside this State shall be the equivalent of said mailing.

(e) Proof of compliance with subsection (d) hereof shall be made in the event of service by mail by affidavit of the plaintiff or his attorney showing said mailing, together with the return receipt of the United States post office bearing the signature of said defendant. Such affidavit and receipt shall be appended to the original summons which shall be filed with the court from out of which such summons issued within such time as the court may allow for the return of such summons. In the event of personal service outside this State such compliance may be proved by the return of any duly constituted public officer, qualified to serve like process of and in the state or jurisdiction where the defendant is found, showing such

service to have been made. Such return shall be appended to the original summons which shall be filed as aforesaid.

(f) The court in which the action is pending may order such continuances as may be necessary to afford the defendant reasonable opportunity to defend the action.

(g) The director shall keep a record of all process so served upon him which record shall show the day and hour of service.

(h) As used in this section "nonresident" means a person who is not a resident of this State at the time the accident or collision occurs.

CHAPTER 638

An act to amend Section 438 of the Education Code, relating to the county superintendent of schools of a county of the thirty-eighth class.

In effect
September
7, 1955

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 438 of the Education Code is amended to read:

Yuba County
Superin-
tendent of
Schools

438. The annual salary of the county superintendent of schools of a county of the thirty-eighth class is seven thousand dollars (\$7,000), and he shall possess a valid elementary or secondary administrative credential issued by the State Board of Education.

CHAPTER 639

An act to add Section 69609 to the Government Code, relating to the number of judges of the Superior Court of Placer County.

In effect
September
7, 1955

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 69609 is added to the Government Code, to read:

69609. In the County of Placer there shall be two judges of the superior court.

CHAPTER 640

An act to amend Section 28144 of the Government Code, relating to compensation for public service in counties of the forty-fourth class.

In effect
September
7, 1955

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 28144 of the Government Code is amended to read:

28144. In a county of the forty-fourth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

San Benito
County
officers
Salaries

(a) The auditor, one thousand four hundred dollars (\$1,400) a year.

(b) The district attorney, four thousand twenty dollars (\$4,020) a year.

(c) Each supervisor, one thousand eight hundred dollars (\$1,800) a year and twenty cents (\$0.20) a mile for traveling expenses from his residence to the county seat, and also necessary expenses when on official business outside the county.

(d) Grand jurors, three dollars (\$3) for each day's attendance while engaged in the performance of the duties required of them, and fifteen cents (\$0.15) for each mile actually traveled, in going only, while acting as such jurors. The judge of the superior court shall make an order directing the auditor to draw his warrant on the treasurer in favor of the juror for the per diem and mileage, and the treasurer shall pay the warrant.

(e) Trial jurors in the superior court, five dollars (\$5) for each day's attendance while engaged in the performance of the duties required of them, and fifteen cents (\$0.15) for each mile actually traveled on the first day of attendance, in going only, while acting as such jurors. The judge of the superior court shall make an order directing the auditor to draw his warrant on the treasurer in favor of the juror for the per diem and mileage, and the treasurer shall pay the warrant.

SEC. 2. If it is not legally competent to pay the compensation provided by this act to incumbent officers on the effective date of this act, such increase in compensation shall nevertheless be payable to the officers designated in this act as soon as it is legally competent to do so.

Incumbent
officers

CHAPTER 641

An act to add Section 28301.1 to the Corporations Code, relating to the Retirement Systems Law.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28301.1 is added to the Corporations Code, to read:

28301.1. A copy of any amendment to the Constitution, by-laws, declaration of trust or other instrument adopted to regulate the affairs of a retirement system shall be effective upon being filed with and not disapproved by the commissioner.

CHAPTER 642

An act to amend Section 25102 of the Corporations Code, relating to transactions exempt from the Corporate Securities Law.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 25102 of the Corporations Code is amended to read:

25102. Except as otherwise expressly provided in this division, the Corporate Securities Law does not apply to any of the following classes of securities:

(a) Any security (except notes, bonds, debentures, or other evidences of indebtedness, whether interest-bearing or not) issued by a company organized under the laws of this State exclusively for educational, benevolent, fraternal, charitable, or reformatory purposes and not for pecuniary profit, no part of the earnings of which inures to the benefit of any private shareholder or individual.

(b) Bills of exchange, trade acceptances, promissory notes and any guarantee thereof, and other commercial paper issued, given, or acquired in a bona fide way in the ordinary course of legitimate business, trade, or commerce.

(c) Promissory notes, whether secured or unsecured, and any guarantee thereof, where the notes are not offered to the public, or are not sold to an underwriter for the purpose of resale.

(d) A promissory note, secured by a lien on a single parcel of real property, when such note is not one of a series of notes executed by one maker or persons associated together in the issue of notes.

CHAPTER 643

An act to amend Sections 18197 and 18198 of the Education Code, relating to fees for the approval of plans for school building construction, and providing for the transfer of excess accumulations thereof from the Division of Architecture Public Building Fund to the General Fund.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 18197 of the Education Code is amended to read:

18197. The application shall be accompanied by a filing fee in amounts as determined by the Division of Architecture based on the estimated cost and according to the following schedule:

(a) For the first two hundred fifty thousand dollars (\$250,000), a fee of not more than one-half of 1 percent of the estimated cost.

(b) For all costs in excess of two hundred fifty thousand dollars (\$250,000) a fee of not more than one-fourth of 1 percent.

The minimum fee in any case shall be fifty dollars (\$50). If the actual cost exceeds the estimated cost by more than 10 percent, a further fee shall be paid to the Division of Architecture, based on the above schedule and computed on the amount by which the actual cost exceeds the amount of the estimated cost.

SEC. 2. Section 18198 of said code is amended to read:

18198. All fees shall be paid into the State Treasury and credited to the Division of Architecture Public Building Fund, which fund is continued in existence, and are available without regard to fiscal years for the use of the Division of Architecture, subject to approval of the Department of Finance, in carrying out the provisions of this article.

On July 1st of each year, the State Controller shall transfer from the Division of Architecture Public Building Fund to the General Fund money in said fund in excess of seven hundred fifty thousand dollars (\$750,000).

CHAPTER 644

An act to amend Section 10200 of the Health and Safety Code, relating to vital statistics and birth certificates.

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 10200 of said code is amended to read:

10200. The certificate of live birth shall be divided into two sections; the first section shall contain those items necessary to establish the fact of birth and the second section shall contain those items relating to medical and health data. The first section shall contain the following items and such other items as the state department may designate:

(1) Full name and sex of child.

(2) Date of birth, including month, day and year.

(3) Place of birth.

(4) Parentage.

(a) Full name of father, birthplace of father, and color or race of father.

(b) Full maiden name of mother, birthplace of mother, color or race of mother.

(5) Signature and certification of attendant.

(6) Signature of local registrar and date received by local registrar.

(7) If given name is added later, the name and date of adding.

The second section shall contain the following items and such other medical and health items as the state department may designate:

(1) Multiple births and birth order of multiple births.

Provided, however, that when objection is made by either parent to the inclusion of medical and health items relating to the physical condition of the child because of conflict with religion, no such items shall be included.

Provided further that the footprints of the child and the fingerprints of the mother shall be imprinted on the reverse side of the original certificate only.

CHAPTER 645

An act to amend Sections 1141, 1142, 1142.1, 1142.2, and 1142.3 of the Agricultural Code, relating to eggs.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1141 of the Agricultural Code is amended to read:

“Egg
products”

1141. As used in this article “egg products” means “liquid eggs,” “frozen eggs,” “egg solids” or other egg products intended for human consumption.

SEC. 2. Section 1142 of said code is amended to read:

License re-
quirement

1142. It is unlawful for any person to engage in egg breaking, liquefying, or dehydration of egg products or to bring or cause to be brought into this State egg products from other states or from outside the United States for the purpose of resale as such products without first obtaining a license from the State Department of Public Health. The provisions of this section shall not apply to any bakery or restaurant, or employee thereof, in which eggs are broken for immediate use upon the premises, or to salvage operations that are incidental to any candling or grading process.

Exceptions

SEC. 3. Section 1142.1 of said code is amended to read:

License fees

1142.1. The State Department of Public Health shall issue to any person an annual license on the receipt of one hundred dollars (\$100) for each such license and such evidence as the department may require to show that the applicant is properly equipped to operate such an establishment at each location where the applicant conducts operations required to be licensed under Section 1142.

Disposition

Annual license fees payable under this section shall become due and payable by each person approved by the Department of Public Health on or before January 1st in each year. Such fees shall be paid by the department into the General Fund in the State Treasury.

SEC. 4. Section 1142.2 of said code is amended to read:

1142.2. All egg breaking establishments shall consist of at least the following and distinctly separate rooms or areas:

(a) **Candling Room.** (1) Candling room must be separate from the breaking room, but may join the latter, if provided with a tightly fitted door or similar opening.

(2) There shall be provided ample receptacles to hold all rejected eggs.

(3) "Leakers" shall be broken in a sanitary manner.

(4) All candled eggs shall be placed in clean and sanitary containers before sending them to the breaking room.

(5) All eggs must be candled with care using every precaution to keep those eggs classed as unfit for human food out of the breaking room.

(b) **Breaking Room.** (1) The breaking room shall have walls and ceiling of white enamel, tile, paint, or other water-proof covering.

(2) The floor must be impervious to water and supplied with ample drains.

(3) The intersections of the wall and the floor shall be finished in the so-called sanitary or cove-finish.

(4) All windows and other exterior openings shall be adequately covered to keep out flies, dust and dirt.

(5) Tables shall be made of metal, porcelain or other impervious material, or covered with a similar material.

(6) All eggs shall be broken on detachable metal knives and the contents of the shell emptied into a glass, metal or other approved cup.

(7) A careful examination for appearance and odor shall be made of all eggs in such cup prior to pouring into the packing container.

(8) If any eggs in the cup are not of the classes permitted for human food, the cup and contents and knives shall be removed to the washing area and properly sterilized apparatus shall be substituted.

(9) Before the clean equipment is received, the hands of the egg breaker must be washed clean in a wash basin provided for that purpose in the breaking room, and must be properly dried on a fresh, clean towel or by some other sanitary device.

(10) The separating of yolks and whites "by hand" is strictly prohibited. Each separation must be effected by a sanitary mechanical device.

(11) All employees in the breaking room shall wear clean white caps and outer garments of washable material.

(c) **Washing and Sterilizing Area.** (1) The washing and sterilizing area shall be separate and apart and shall be provided with a waterproof floor, ample daylight, hot and cold running water. The hot water to be not less than 160 degrees F.

(2) There shall be adequate facilities for the washing, rinsing, and sterilizing of all utensils, containers, et cetera.

(3) All vats, receptacles, implements, et cetera, shall be thoroughly washed and sterilized before using.

(4) All floors and tables shall be scrubbed at least once daily or oftener if needed.

Chilling and
freezing
rooms

(d) Chilling and Freezing Rooms. (1) Ample facilities shall be provided for the prompt cooling or freezing of liquid egg products. Liquid eggs intended for immediate sale or use shall be properly cooled and delivery made within 24 hours after cracking.

(2) The freezing room shall have a waterproof floor, adequately cleaned and with suitable drainage.

Standards

SEC. 5. Section 1142.3 of said code is amended to read:

Certificate
of inspection

1142.3. Egg products shall be prepared only from eggs that are fit for human consumption, under sanitary conditions that meet the approval of all state rules and regulations prescribed under authority of the California Pure Foods Act and Chapter 7 of Division 21 of the Health and Safety Code; egg products prepared outside of the State but within the United States must bear a certificate of an authorized representative of any federal, state, county, or city department that is authorized to inspect food products which certifies that the egg products have been prepared only from eggs that are fit for human consumption and that they have been prepared under sanitary conditions.

CHAPTER 646

An act to amend Section 11014 of the Business and Professions Code, relating to the investigation of real estate subdivisions.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11014 of the Business and Professions Code is amended to read:

11014. The commissioner at the expense of the owner, his agent, or subdivider, may investigate any subdivision being offered for sale or lease in this State. The total cost of such examination shall be borne by the owner, his agent, or subdivider, of the project on the basis of the actual cost to the Real Estate Division. For the purposes of such investigations the commissioner may use and rely upon any relevant information or data concerning a subdivision obtained by him from the Federal Housing Administration, the United States Veterans Administration or any other federal agency having comparable duties and functions in relation to subdivisions or property therein.

CHAPTER 647

An act conveying certain tidelands, lands lying under inland navigable waters, swamp and overflow lands, situate at San Luis Bay and San Luis Creek, to the Port San Luis Harbor District, in furtherance of navigation and commerce and the fisheries, and providing for the government, management and control thereof, reserving rights to the State.

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. There is hereby granted to the Port San Luis Harbor District, hereinafter called "district," a political subdivision of the State of California, and to its successors, all the right, title, and interest now held by the State of California by virtue of its sovereignty, in and to all lands, salt marsh, tidelands, submerged lands, and swamp and overflowed lands described as follows:

Grant to
Port San
Luis Harbor
District

That portion of San Luis Bay lying between the line of ordinary high tide line of the Pacific Ocean and a line parallel thereto and distant westerly therefrom three miles and bounded on the north by that certain lighthouse, with latitude 35 degrees, 9 minutes 38 seconds north and longitude 120 degrees, 45 minutes 37 seconds west, at Point San Luis at the westerly end of San Luis Bay and a line extending south 30 degrees, no minutes west therefrom and on the south by the most southerly line of Lot 7 in Block 14 of Tract No. 57, El Pismo Manor No. 1, as per map thereof recorded in Book 5, page 76 of maps in the Office of the County Recorder of the County of San Luis Obispo, State of California, extending into the Pacific Ocean on a bearing due south, together with all salt marsh, tidelands, submerged lands, and swamp and overflowed lands within San Luis Creek.

Description

To be forever held by said district, and its successors, in trust for the uses and purposes and upon the express conditions following, to-wit:

Conditions
of grant

(a) That said lands shall be used by said district, and its successors, for the establishment, improvement and conduct of a harbor, including an airport or aviation facilities, and for the construction, maintenance and operation thereon of wharves, docks, piers, slips, quays and other utilities, structures, facilities and appliances necessary or convenient for the promotion and accommodation of commerce and navigation by air as well as by water, and for the construction, maintenance and operation thereon of public buildings and public parks and playgrounds, and for public recreational purposes, and said district, or its successors, shall not at any time, grant, convey, give or alien said lands, or any part thereof, to any individual, firm or corporation for any purposes whatsoever; provided, that said district, or its successors, may grant franchises

thereon for limited periods (but in no event exceeding 50 years), for wharves and other public uses and purposes and may lease said lands, or any part thereof, for limited periods (but in no event exceeding 50 years), for purposes consistent with the trust upon which said lands are held by the State of California, and with the requirements of commerce and navigation at said harbor, and collect and retain rents from such leases, franchises and privileges including those certain leases (1) between the State of California and Port San Luis Transportation Company, dated April 13, 1951, as amended March 26, 1954 (P. R. C. 560.1), (2) between the State of California and the Union Oil Company of California, dated February 28, 1941 (Lease 675/PC—339), and (3) between the State of California and California Packing Corporation and Carmel Canning Company, dated September 5, 1951 (P. R. C. 644.1).

(b) That said lands shall be substantially improved by said district within 10 years of the effective date of this act without expense to the State, and shall always remain available for public use for all purposes consistent with the trust under which the State holds sovereign lands, and the State of California shall have at all times the right to use, without charge, all wharves, docks, piers, slips, quays, and other improvements and facilities constructed on said lands, or any part thereof, for any vessel or other watercraft or aircraft, or railroad, owned or operated by the State of California. If the State Lands Commission determines that the district has failed during said 10-year period to improve said lands as herein required, all right, title, and interest of said district in and to all lands granted by this act shall cease and said lands shall revert and vest in the State.

(c) That in the management, conduct or operation of said harbor, or of any of the utilities, structures, appliances or facilities mentioned in paragraph (a), no discrimination in rates, tolls, or charges or in facilities for any use or service in connection therewith shall ever be made, authorized or permitted by said district or its successors.

Reservations
and
exceptions

(d) There is hereby reserved, however, in the people of the State of California the absolute right to fish in the waters of said harbor with the right of convenient access to said waters over said lands for said purposes together with the right of navigation.

(e) There is hereby excepted and reserved to the State of California all deposits of minerals, including oil and gas, in said land, and to the State of California, or persons authorized by the State of California, the right to prospect for, mine, and remove such deposits from said land.

(f) The lands herein described are granted subject to the express reservation and condition that the State may at any time in the future use said lands or any portion thereof for highway purposes, without compensation to the district, its successors or assigns, or any person, firm or public or private corporation claiming under it, except that in the event im-

provements have been placed upon the property taken by the State for said purposes, compensation shall be made to the person entitled thereto for the value of his interest in the improvements taken or the damages to such interest.

SEC. 2. The State Lands Commission shall, at the cost of the grantee, survey, monument, plat, and record in the Office of the Recorder of San Luis Obispo County, the area of state lands described in this act. Said district shall enter into a contract with the State Lands Commission for surveying, monumenting and platting the area of state land described in this act, and shall, upon submission of invoices by the State Lands Commission, pay said costs as a condition precedent to the grant of lands hereunder. Survey
recoodation,
etc

SEC. 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of this act, or the application of such provision to other persons or circumstances, shall not be affected thereby. Severability

CHAPTER 648

An act to amend Sections 7332 and 7420 of the Business and Professions Code, relating to cosmetology.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7332 of the Business and Professions Code is amended to read:

7332. The board shall admit to examination for a certificate of registration and license as a hairdresser and cosmetician or cosmetologist, at any meeting of the board duly held for the purpose of conducting examination, any person who has made application to the board in proper form, paid the fee required by this chapter, and who is qualified as follows: Hairdresser
and cosmeti-
cian or cos-
metologist
Qualifica-
tions

- (a) Who is not less than 18 years of age.
- (b) Who is of good moral character and temperate habits.
- (c) Who has completed the tenth grade in the public schools of this State or its equivalent.

(d) Who has had any one of the following:

(1) Training of at least 1,600 hours, extending over a school term of nine months in a school of cosmetology approved by the board.

(2) Practice of the occupations of a hairdresser and cosmetician, or cosmetologist, for a period of four years outside of this State. Each three months of such practice shall be deemed the equivalent of 100 hours of training for qualification under paragraph (1) of this subdivision.

(3) Service for at least two years as a licensed junior operator in a licensed cosmetological establishment in which all of

the occupations of a hairdresser and cosmetician or cosmetologist are practiced.

SEC. 2. Section 7420 of said code is amended to read :

Applicants
from other
states

7420. Upon application to the board in the form provided for the particular class of license applied for, accompanied by the required fee, a person registered as a hairdresser and cosmetician or cosmetologist, electrologist or manicurist under the laws of another state shall, if he satisfactorily passes an examination given by the board, be granted a certificate of registration and license to practice the occupation or occupations in this State not of greater scope than the occupation or occupations for which the applicant was previously registered in the other state, upon the following conditions:

(a) That he is not less than 18 years of age.

(b) That he is of good moral character and temperate habits.

(c) That the requirements for registration or licensing of hairdressers and cosmeticians or cosmetologists, electrologists and manicurists, in the particular state were, at the date of the previous registration or licensing, substantially equal to the requirements therefor then in force in this State.

Any person who fails to qualify for admission to the examination because his study or training does not fulfill the requirements of subdivision (c) shall receive credit for the number of hours of study and training successfully completed in the particular state where he is registered, and he shall be qualified for the examination upon completion of such supplementary study and training in a licensed school in this State as the board finds necessary to substantially equal the study and training of a qualified person who has studied and trained in a licensed school in this State only. For the purposes of this subdivision, each three months of practice of the occupation or occupations outside of this State shall be deemed the equivalent of 100 hours of study and training required in order to qualify for a license for that occupation or occupations.

CHAPTER 649

An act to amend Section 126 of the Government Code, relating to the acquisition of land in this State by the United States and records and indices thereof.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 126 of the Government Code is amended to read:

Consent to
United
States
acquisition
of lands

126. Notwithstanding any other provision of law, general or special, the Legislature of California consents to the acquisition by the United States of land within this State upon and subject to each and all of the following express conditions and

reservations, in addition to any other conditions or reservations prescribed by law:

(a) The acquisition must be for the erection of forts, magazines, arsenals, dockyards, and other needful buildings, or other public purpose within the purview of clause 17 of Section 8 of Article I of the Constitution of the United States, or for the establishment, consolidation and extension of national forests under the provisions of the act of Congress approved March 1, 1911, (36 Stat. 961) known as the "Weeks Act";

Conditions
and
reservations

(b) The acquisition must be pursuant to and in compliance with the laws of the United States;

(c) The United States must in writing have assented to acceptance of jurisdiction over the land upon and subject to each and all of the conditions and reservations in this section and in Section 4 of Article XIV of the Constitution prescribed;

(d) The conditions prescribed in subdivisions (a), (b), and (c) of this section must have been found and declared to have occurred and to exist, by the State Lands Commission, and the commission must have found and declared that such acquisition is in the interest of the State, certified copies of its orders or resolutions making such findings and declarations to be filed in the Office of the Secretary of State and recorded in the office of the county recorder of each county in which any part of the land is situate;

(e) In granting this consent, the Legislature and the State reserve jurisdiction on and over the land for the execution of civil process and criminal process in all cases, and the State's entire power of taxation including that of each state agency, county, city, city and county, political subdivision or public district of or in the State; and reserve to all persons residing on such land all civil and political rights, including the right of suffrage, which they might have were this consent not given.

(f) This consent continues only so long as the land continues to belong to the United States and is held by it in accordance and in compliance with each and all of the conditions and reservations in this section prescribed.

(g) Acquisition as used in this section means: (1) lands acquired in fee by purchase or condemnation, (2) lands owned by the United States that are included in the military reservation by presidential proclamation or act of Congress, and (3) leaseholds acquired by the United States over private lands or state-owned lands.

(h) In granting this consent, the Legislature and the State reserve jurisdiction over the land, water and use of water with full power to control and regulate the acquisition, use, control and distribution of water with respect to the land acquired.

The finding and declaration of the State Lands Commission provided for in subdivision (d) of this section shall be made only after a public hearing. Notice of such hearing shall be published once in a newspaper of general circulation in each

Hearing

county in which the land or any part thereof is situated and a copy of such notice shall be personally served upon the clerk of the board of supervisors of each such county. The State Lands Commission shall make rules and regulations governing the conditions and procedure of such hearings, which shall provide that the cost of publication and service of notice and all other expenses incurred by the commission shall be borne by the United States.

Exempt
acquisitions

The provisions of this section do not apply to any land or water areas heretofore or hereafter acquired by the United States for migratory bird reservations in accordance with the provisions of Sections 375 to 380, inclusive, of the Fish and Game Code.

CHAPTER 650

An act to add Section 12205 to the Education Code, relating to the issuance of temporary certificates.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12205 is added to the Education Code, to read:

12205. Each county or city and county board of education may issue temporary certificates for the purpose of authorizing salary payments to teachers whose credential applications are being processed. The applicant for such a temporary certificate shall make a statement under oath that to the best of his knowledge no reason exists why he should not be issued a certificate. Such certificate shall be valid for not more than 60 days and only until the credential originally requested is either issued or denied by the State Department of Education.

CHAPTER 651

An act to amend Section 5805 of the Education Code, relating to general plans for expenditure of Vocational Rehabilitation Federal Fund.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5805 of the Education Code is amended to read:

5805. The Director of Finance and the State Controller may approve any general plan whereby:

(a) Any expenditures which are a proper charge against money made available by the United States and deposited in the Vocational Rehabilitation Federal Fund may be paid in

the first instance from any appropriation from the General Fund, expenditures from which are administered under the provisions of Chapter 12 of Division 4; and

(b) The General Fund shall be reimbursed for expenditures made therefrom that are a proper charge against the Vocational Rehabilitation Federal Fund.

Such a general plan may provide for advance transfers from the Vocational Rehabilitation Federal Fund to the General Fund, based on estimates of such expenditures that will be subject to reimbursement from the Vocational Rehabilitation Federal Fund pursuant to such plan, and may provide for reimbursements to the Vocational Rehabilitation Federal Fund, when necessary.

Requests for reimbursement or transfer pursuant to such a plan shall be furnished to the State Controller in writing by the Department of Education, accompanied by such financial statements as the plan may provide; and on order of the State Controller, the required amount shall be transferred in accordance therewith.

CHAPTER 652

An act to add Section 21216 to the Public Utilities Code, relating to the California Aeronautics Commission.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 21216 is added to the Public Utilities Code, to read:

21216. Wherever the commission is authorized to make rules, regulations, orders, procedures, or establish minimum standards, under this part, such authority shall be exercised in accordance with the Administrative Procedure Act except as modified by this article

CHAPTER 653

An act to amend Section 1153 of, to add Section 12420.1 to, and to repeal Section 20122 of, the Government Code, relating to pay roll deductions for purchases of United States savings bonds by state officers and employees, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 1153 of the Government Code is amended to read:

Deductions
authorized

1153. State officers and employees may authorize deductions to be made from their salaries or wages for the purchase of United States savings bonds in accordance with the rules and regulations of the State Board of Control.

The State Controller and all other officers, departments, boards, commissions, and other agencies of the State shall recognize and act upon such requests for salary or wage deductions. All amounts so deducted shall be retained by the Controller for deposit in the State Treasury to the credit of the employees' defense savings account, which account is continued in the Special Deposit Fund in the State Treasury.

SEC. 2. Section 12420.1 is added to said code, to read:

Funds
accumulated

12420.1. The Controller shall establish special accounts for any state officer or employee requesting salary or wage deductions in order that sufficient funds may be accumulated to his credit for the purchase of United States savings bonds or similar United States obligations. Funds so accumulated are trust funds and may be withdrawn from the treasury upon claims filed by the Controller for the purchase of such obligations, or for refunds.

Repeal

SEC. 3. Section 20122 of said code is repealed.

Urgency

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The imposition on the Board of Administration of the State Retirement System of the duty to deposit and account for funds deducted from employees' salaries for purchase of United States savings bonds or similar United States obligations has caused administrative difficulties which seriously threaten the efficient administration of the Retirement System and of the payroll deduction program. To remedy this situation it is necessary that this act take effect immediately.

Operative
date

SEC. 5. Section 1 to 3, inclusive, of this act shall become operative for the first time on July 1, 1955.

CHAPTER 654

An act to amend Section 28130 of the Government Code, relating to compensation for public service in counties of the thirtieth class.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 28130 of the Government Code is amended to read:

Napa County
officers
Salaries

28130. In a county of the thirtieth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, six thousand six hundred dollars (\$6,600) a year.

(b) The district attorney, eleven thousand dollars (\$11,000) a year. He shall devote his entire time to the work of the county and State and is prohibited from engaging in private work or practice.

(c) Each supervisor, four thousand two hundred dollars (\$4,200) a year which shall be in full for all services rendered as supervisor.

(d) Grand jurors and trial jurors in the superior court, five dollars (\$5) for each day's attendance, and mileage at the rate of fifteen cents (\$0.15) for each mile necessarily traveled in attending court or in attending sessions of the grand jury, in going only. In criminal actions the fees and mileage of trial jurors shall be paid by the treasurer out of the general funds of the county upon warrants drawn by the auditor, who shall draw the warrants upon the written order of the judge of the superior court in which the jurors were in attendance. The compensation provided for by this section shall be paid to incumbent officers.

CHAPTER 655

An act to amend Sections 3128 and 3154 of the Unemployment Insurance Code, relating to unemployment insurance.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3128 of the Unemployment Insurance Code is amended to read:

3128. For all space allocated by the director to the agencies and services comprising the department, or otherwise leased or let by the director pursuant to this article, the director shall charge a rental, to be approved by the Department of Finance. All such rentals shall be deposited in the Unemployment Administration Fund. The portion of the rental which pertains to the amortization of the investment, as determined by the Department of Employment, shall be transferred to the Disability Fund as repayment of any money invested under the provisions of this article, together with interest to be compounded annually at the close of business on December 31st of each year at a reasonable rate to be determined by the director with the approval of the Department of Finance. The remainder of the rental shall be left in the Unemployment Administration Fund to be used for building maintenance, repairs and alterations, utilities, and other necessary operating expenses.

SEC. 2. Section 3154 of said code is amended to read:

3154. For all space allocated to the agencies and services comprising the department, or otherwise leased or let, there shall be charged a rental as fixed by the Department of

Rental
charges
Central office
building

Same
Branch office
buildings

Finance. All such rentals shall be deposited in the Unemployment Administration Fund. The portion of the rental which pertains to the amortization of the investment, as determined by the Department of Employment, shall be transferred to the Disability Fund as repayment of any money invested under the provisions of this article, together with interest to be compounded annually at the close of business on December 31st of each year at a reasonable rate to be determined by the Department of Finance subject to the approval of the director. The remainder of the rental shall be left in the Unemployment Administration Fund to be used for building maintenance, repairs and alterations, utilities, and other necessary operating expenses.

CHAPTER 656

An act to amend Section 13110 of the Government Code, relating to transfer of real property from one state agency to another state agency.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13110 of the Government Code is amended to read:

13110. The control or possession of real property owned by the State may be transferred from one state agency to another state agency with the written approval of the director.

In connection with such a transfer the director may authorize the payment of such consideration as he deems proper from available funds of the receiving agency to the transferring agency.

Where the interest the State owns in real property is not under the control or in possession of any specified state agency the department may act as the transferring agency.

Upon request and without fee, the recorder of each county in which any portion of real property so transferred is located shall record any instruments executed in connection with such a transfer.

CHAPTER 657

An act to add Sections 11177.5 and 11177.6 to the Penal Code, relating to cooperative returns of parole and probation violators.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11177.5 is added to the Penal Code, to read:

11177.5. The officer designated by the Governor pursuant to subdivision 5 of Section 11177 of this code may deputize any person regularly employed by another state to act as an officer and agent of this State in effecting the return of any person who has violated the terms and conditions of parole or probation as granted by this State. In any matter relating to the return of such a person, any agent so deputized shall have all the powers of a police officer of this State.

Any deputization pursuant to this section shall be in writing and any person authorized to act as an agent of this State pursuant hereto shall carry formal evidence of his deputization and shall produce the same upon demand.

SEC. 2. Section 11177.6 is added to said code, to read:

11177.6. The officer designated by the Governor pursuant to subdivision 5 of Section 11177 of this code may, subject to the approval of the Department of Finance, enter into contracts with similar officials of any other state or states for the purpose of sharing an equitable portion of the cost of effecting the return of any person who has violated the terms and conditions of parole or probation as granted by this State.

CHAPTER 658

An act to repeal Section 6201 of the Penal Code, relating to the California Correctional Facility.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6201 of the Penal Code is repealed.

CHAPTER 659

An act to amend Section 5091 of the Penal Code, relating to the State Correctional System.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5091 of the Penal Code is amended to read:

5091. The Correctional Industries Commission shall:

(a) Recommend productive industrial and agricultural enterprises in the prisons and institutions under the jurisdiction of the Department of Corrections in such volume and of such kinds as to eliminate unnecessary idleness among the inmates and to provide diversified work activities which will serve as means of vocational education as well as of occupation and financial support.

Correctional
Industries
Commission
Duties

(b) Determine the advisability and suitability of establishing, expanding, diminishing, or discontinuing any industrial or agricultural enterprise involving a gross annual production of more than twenty-five thousand dollars (\$25,000) value, but less than three hundred fifty thousand dollars (\$350,000) value and authorize or prohibit such action. The Correctional Industries Commission shall determine the gross annual production, within the limit set above, of each new enterprise at the time of its establishment. The annual production so set shall not be increased until a public hearing concerning the proposed increase has been held before the Correctional Industries Commission. It shall be the duty of the commission annually, to adjust the maximum gross annual production value of three hundred fifty thousand dollars (\$350,000) permitted for each enterprise, the purpose of such adjustment being to keep said limit in balance with changes in population of state institutions and changes in cost of production. Such adjustment shall be made in the following manner:

1. The maximum limitation of three hundred fifty thousand dollars (\$350,000) shall serve as a base figure as of December 31, 1954, for such computation.

2. The maximum limitation shall be increased or decreased in the same proportion as the population of state institutions shall have increased or decreased in comparison with their population on December 31, 1954.

3. The maximum limitation shall be further increased or decreased in the same proportion as the Wholesale Price Index of the United States Bureau of Labor Statistics shall have increased or decreased in comparison with such wholesale price index as of December 1954.

The maximum gross annual limitation on production as adjusted in accordance with the above formula shall replace and serve in lieu of the three hundred fifty thousand dollars (\$350,000) limitation until the next annual adjustment is made by the commission. It shall apply to enterprises previously authorized as well as to those authorized during the current period, and such adjustment may be made without public hearing.

"Population of state institutions," as used in this subsection, is the total number of persons in institutions subject to the jurisdiction of the Department of Corrections under Section 5003 of the Penal Code, the number of persons in institutions subject to the jurisdiction of the Department of Mental Hygiene under Sections 6500 and 7000 of the Welfare and Institutions Code, and the number of persons in institutions subject to the jurisdiction of the Youth Authority under Section 1000 of the Welfare and Institutions Code.

(c) Hold hearings pursuant to Section 5092, and make rules for the conducting of such hearings. However, the commission may, in its discretion, hold public hearings on any subject within its jurisdiction.

CHAPTER 660

An act to amend Section 182 of the Penal Code, relating to the punishment for conspiracy.

[Approved by Governor May 21, 1955. Filed with Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 182 of the Penal Code is amended to read:

182. If two or more persons conspire:

1. To commit any crime.
2. Falsely and maliciously to indict another for any crime, or to procure another to be charged or arrested for any crime.
3. Falsely to move or maintain any suit, action or proceeding.
4. To cheat and defraud any person of any property, by any means which are in themselves criminal, or to obtain money or property by false pretenses or by false promises with fraudulent intent not to perform such promises.
5. To commit any act injurious to the public health, to public morals, or to pervert or obstruct justice, or the due administration of the laws.
6. To commit any crime against the person of the President or Vice President of the United States, the governor of any state or territory, any United States Justice or Judge, or the secretary of any of the executive departments of the United States.

They are punishable as follows:

When they conspire to commit any crime against the person of any official specified in subdivision 6, they are guilty of a felony and are punishable by imprisonment in the state prison for not less than 10 years.

When they conspire to commit any other felony, they shall be punishable in the same manner and to the same extent as is provided for the punishment of the said felony. If the felony is one for which different punishments are prescribed for different degrees, the jury or court which finds the defendant guilty thereof shall determine the degree of the felony defendant conspired to commit. If the degree is not so determined, the punishment for conspiracy to commit such felony shall be that prescribed for the lesser degree, except in the case of conspiracy to commit murder, in which case the punishment shall be that prescribed for murder in the first degree.

If the felony is conspiracy to commit two or more felonies which have different punishments and the commission of such felonies constitute but one offense of conspiracy, the penalty shall be that prescribed for the felony which has the greater maximum term.

When they conspire to do any of the other acts described in this section they shall be punishable by imprisonment in the county jail for not more than one year, or in the state prison

for not more than three years, or by a fine not exceeding five thousand dollars (\$5,000) or both.

All cases of conspiracy may be prosecuted and tried in the superior court of any county in which any overt act tending to effect such conspiracy shall be done.

CHAPTER 661

An act to amend and renumber Section 11007.5 of the Government Code, as amended by Chapter 1307 of the Statutes of 1953, relating to state agencies insuring their officers and employees against flight injuries.

In effect
September
7, 1955

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 11007.5 of the Government Code, as amended by Chapter 1307 of the Statutes of 1953, is amended and renumbered to read:

11007.6. Any state agency may, subject to rules and regulations of the Board of Control, insure its officers and employees against injury or death incurred while flying on state business in any except regularly scheduled passenger aircraft.

CHAPTER 662

An act to amend Section 13294 of the Government Code, relating to the duties and powers of the Department of Finance.

In effect
September
7, 1955

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13294 of the Government Code is amended to read:

13294. The department shall examine and expert the books of the several state agencies, at least once every two years, and as often as the director deems necessary.

CHAPTER 663

An act to amend Section 25905 of the Government Code, relating to agricultural fairs.

In effect
September
7, 1955

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 25905 of the Government Code is amended to read:

25905. The board of supervisors may contract with a nonprofit corporation or association for the conducting of an agricultural fair, as agent of the county, for a period not exceeding five years. Such contract may provide for the use, possession, and management of any public park or fairgrounds by such nonprofit corporation, as agent of the county, during the period of the contract.

All net proceeds received by such nonprofit corporation, from whatever source, shall be deposited within 60 days after the conclusion of any fair in a county fair fund which shall be established in the county treasury for such purpose. The moneys in the fund shall be expended only for support of the county fair, including maintenance and operation of the county fair facilities, premiums, purposes incidental to the fair, capital outlay for fair purposes and for the acquisition or purchase of real property to be used for fair purposes.

The corporation shall submit an annual budget to the State Department of Finance, showing the estimated revenues and the proposed expenditures from all sources during the ensuing calendar year, which budget shall first be approved by the county board of supervisors and shall be considered as complying with the provisions of Section 92 of the Agricultural Code relating to budgets.

Any other provisions of law relating to county fairs as a condition to receiving an allocation of state money for fair purposes shall be observed by such nonprofit corporation.

When such use, possession, and management is granted, the board may also allocate and pay to such nonprofit corporation in advance such sum of money it deems necessary to be used for the purposes for which such use, possession, and management is granted.

CHAPTER 664

An act to add Section 10203.9 to the Insurance Code, relating to group insurance.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 10203.9 is added to the Insurance Code, to read:

10203.9. In addition to the other specific circumstances under which a group life policy may be issued under this chapter a group life policy may be issued to an existing insured to replace an existing valid group life policy if: (1) it provides the same benefits at the same or a lesser rate as the policy to be replaced; (2) it offers such benefits to all persons covered by the policy to be replaced; and (3) 90 percent of all persons covered by the policy to be replaced become insured under the new policy.

CHAPTER 665

An act to amend Section 3066 of the Civil Code, relating to the sale of unclaimed clothing or household goods left for cleaning or repair.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 3066 of the Civil Code is amended to read:

Liens for
service and
storage

3066. (a) Any garment, clothing, wearing apparel or household goods remaining in the possession of a person, firm, partnership or corporation, on which cleaning, pressing, glazing or washing has been done or upon which alterations or repairs have been made, or on which materials or supplies have been used or furnished, for a period of 90 days or more after the completion of such work may be sold to pay the reasonable or agreed charges and the costs of notifying the owner or owners. Provided, however, that the person, firm, partnership, or corporation to whom such charges are payable and owing shall first notify the owner or owners of the time and place of such sale. Provided further, that property that is to be placed in storage after any of the services or labors mentioned herein, shall not be affected by the provisions of this section.

Sale of
property

(b) All garments, clothing, wearing apparel or household goods placed in storage, or on which any of the services or labors mentioned in the preceding section of this act have been performed and then placed in storage by agreement and remaining in the possession of a person, firm, partnership or corporation without the reasonable or agreed charges having been paid for a period of 12 months, may be sold to pay said charges. Provided that the person, firm, partnership or corporation to whom the charges are payable, shall first notify the owner or owners thereof of the time and place of sale. Provided, however, that the persons, firms, partnerships, or corporations operating as warehouses or warehousemen shall not be affected by this section.

Notice

(c) The posting or mailing of a registered letter, with a return address marked thereon, addressed to the owner or owners, at their address given at the time of delivery of the article or articles to a person, firm, partnership or corporation to render any of the services or labors set out in this act, stating the time and place of sale, shall constitute notice. Said notice shall be posted or mailed at least 30 days before the date of sale. The cost of posting or mailing said letter shall be added to the charges.

Where the address of an owner is unknown, a posting of notice, for a period of 30 days, at a prominent place in the receiving office of the person, firm, partnership or corporation required to give the notice is sufficient.

(d) The person, firm, partnership or corporation to whom the charges are payable, shall, from the proceeds of the sale, deduct the charges due plus the costs of notifying the owner and shall hold the overplus, if any, subject to the order of the owner and shall immediately thereafter mail to the owner thereof at his address, if known, a notice of the sale, the amount of the overplus, if any, due him, and at any time within 12 months, upon demand by the owner, pay to the owner said sums or overplus in his hands. Disposition
of proceeds

(e) All persons, firms, partnerships or corporations taking advantage of this act must keep posted in a prominent place in their receiving office or offices at all times one notice which shall read as follows: Posting
required

“All articles cleaned, pressed, glazed, laundered, washed, altered or repaired and not called for in 90 days shall be sold to pay charges.” “All articles stored by agreement and charges not having been paid for 12 months will be sold to pay charges.”

CHAPTER 666

An act to amend Section 20755 of the Health and Safety Code and to amend Section 4166 of the Business and Professions Code, relating to the sale of poison.

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 20755 of the Health and Safety Code is amended to read:

20755. It is unlawful to sell or deliver any poison included in Schedule “A” or the additions thereto, without making or causing to be made, at the time of sale, an entry in a poison book kept solely for that purpose, stating the date and hour of sale, and the name, address and signature of the purchaser, the name and quantity of the poison sold, the statement by the purchaser of the purpose for which it is required, and the name of the dispenser, who shall be a registered pharmacist. The entry shall be made out in full, in ink by the dispenser himself, before the purchaser affixes his signature. The dispenser shall demand of the purchaser such identification as is reasonable under the circumstances to assure the dispenser as to the identity of the purchaser. Poison book:
Record
of sale

SEC. 2. Section 4166 of the Business and Professions Code is amended to read:

4166. No person shall sell or deliver any poison included in Schedule “A” or the additions thereto, without making or causing to be made, at the time of sale, an entry in a poison book kept solely for that purpose, stating the date and hour of sale, and the name, address, and signature of the purchaser, the name and quantity of the poison sold, the statement by the purchaser of the purpose for which it is required, and the name Same

of the dispenser, who shall be a registered pharmacist. The entry shall be made out in full, in ink by the dispenser himself, before the purchaser affixes his signature. The dispenser shall demand of the purchaser such identification as is reasonable under the circumstances to assure the dispenser as to the identity of the purchaser.

Effect
Stats 1955,
Ch 550

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as such bill takes effect, at which time Section 20755 of the Health and Safety Code as added by Section 1 of this act is repealed.

CHAPTER 667

An act to add Section 2401 to the Agricultural Code, relating to marketing of agricultural products.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2401 is added to the Agricultural Code, to read:

2401. Whenever producers of an agricultural commodity regulated by a marketing program issued by the director pursuant to the provisions of this chapter are required to comply with minimum quality, condition, size, or maturity regulations, no person may, except as otherwise provided in said program, process, distribute, or otherwise handle any of such agricultural commodity from any source, whether produced within or without the State of California, which commodity does not meet such minimum requirements applicable to producers of said commodity in California, except that such regulations shall not apply to any commodity which has been produced outside of this State and is in transit on the effective date of the regulations.

CHAPTER 668

An act to amend Section 1300.18 of the Agricultural Code, relating to the uniform application of marketing order regulations.

In effect
September
7, 1955

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1300.18 of the Agricultural Code is amended to read:

1300.18. (a) Marketing orders issued by the director under this chapter may be limited in their application by prescribing the marketing areas or portions of the State in which a

particular order shall be effective. Provided, that, no marketing order shall be issued by the director unless it embraces all persons of a like class who are engaged in a specific and distinctive agricultural industry or trade within this State.

(b) Whenever producers or handlers of an agricultural commodity regulated by a marketing order or marketing agreement issued by the director pursuant to the provisions of this chapter are required to comply with minimum quality, condition, size, or maturity regulations, no person may, except as otherwise provided in said order or agreement, process, distribute, or otherwise handle any of such agricultural commodity from any source, whether produced within or without the State of California, which commodity does not meet such minimum requirements applicable upon producers or handlers of said commodity in California, except that such regulations shall not apply to any commodity which has been produced outside of this State and is in transit on the effective date of the regulations.

CHAPTER 669

An act to repeal Section 147.1 of, and to add Sections 147.1, 147.5 and 147.6 to, the Welfare and Institutions Code, relating to the solicitation of charitable contributions.

[Approved by Governor May 21, 1955. Filed with
Secretary of State May 21, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 147.1 of the Welfare and Institutions Code is repealed.

SEC. 2. Section 147.1 is added to said code, to read:

147.1. This chapter does not apply to:

Exceptions

(1) A church or organization of churches of any denomination, or any nonprofit agency duly constituted by a church, churches, or denominations, to carry on religious education, interdenominational operations, or the like.

(2) An institution of learning authorized by the State to grant degrees.

(3) A hospital licensed by the State.

(4) Any institution licensed by the Department of Social Welfare.

SEC. 3. Section 147.5 is added to said code, to read:

147.5. Any person, nonprofit corporation or voluntary unincorporated association required to file an audit with the Department of Social Welfare pursuant to subsection (a) of Section 147.2, or a statement with the State Department of Social Welfare pursuant to subsection (b) of Section 147.2, shall furnish without charge to any person upon demand a copy of such audit or statement.

Copy of audit

SEC. 4. Section 147.6 is added to said code, to read:

147.6. The provisions of this chapter are not applicable to any person, nonprofit corporation or voluntary unincorporated

Exceptions

association required by the provisions of any county, city and county, or city ordinance to file with local authorities audits or statements substantially the same as the audit or statement required by Section 147.2, if such local ordinance also provides that the person, nonprofit corporation or voluntary unincorporated association shall also furnish free of charge a copy of such audits or statements to any person upon demand.

CHAPTER 670

An act to amend Section 238 of the Public Utilities Code, relating to the transportation of commodities by water.

In effect
September
7, 1955

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 238 of the Public Utilities Code is amended to read:

238. (a) "Vessel" includes every species of water craft, by whatsoever power operated, which is owned, controlled, operated or managed for public use in the transportation of persons or property, except rowboats, sailing boats, and barges under 20 tons dead weight carrying capacity, and other water craft propelled by steam, gas, fluid naphtha, electricity, or other motive power under the burden of five tons net register.

(b) Nothing in this code except those provisions relating to the regulation of rates shall apply to the transportation by a water carrier of commodities in bulk when the cargo space of the vessel in which such commodities are transported is being used for the carrying of not more than three such commodities. This subsection shall apply only in the case of commodities, in bulk which are loaded and carried without wrappers or containers and received and delivered by the carrier without transportation mark or count. For the purposes of this subsection two or more vessels while navigated as a unit shall be considered to be a single vessel.

(c) Nothing in this code except those provisions relating to the regulation of rates shall apply to the transportation by water of liquid cargoes in bulk in tank vessels designed for use exclusively in such service.

CHAPTER 671

An act to amend Section 5439 of the Public Resources Code, relating to public recreation districts.

In effect
September
7, 1955

[Approved by Governor May 21, 1955 Filed with
Secretary of State May 21, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 5439 of the Public Resources Code is amended to read:

5439. The trustees may erect one or more dams across a stream or river for the purpose of constructing a swimming pool, may acquire, construct, operate, maintain, improve, and keep in a sanitary condition all community parks, community beaches, community yacht harbors and mooring basins, community swimming pools, community recreational grounds, and community buildings, and other recreational or amusement facilities, and may also contract for a system of improvements or works for sewage disposal, and drainage, garbage disposal, fire protection, roads, bridges, road repair, bridge repair, trails, lights and playgrounds, and may lease or rent lands or property for recreational purposes, and they may make proper regulations for the management and operation of the district, including regulations binding upon all persons, with the object of effectuating the purposes of the district, and, also, in connection with the use of the facilities of the district.

The trustees may expend funds of the district for advertising in connection with the recreation and amusement facilities of the district in such amounts as they deem necessary to carry out the purposes of the district.

The trustees shall have the right and power to acquire by condemnation, gift, purchase or otherwise all lands, or use thereof or interest therein, and any other property or rights by them deemed necessary for the construction, maintenance, improvement and operation of the works, or the carrying out of the projects of the district, and may assume and discharge the existing indebtedness on such lands, or interests therein or other property rights so acquired. The powers of the trustees may be exercised within or without the boundaries of the district, but not without the boundaries of the county in which the district was formed nor within the boundaries of any other district formed or operating pursuant to this article. In case of condemnation proceedings the board shall proceed in the name of the district under the provisions of Section 14 of Article 1, as amended, of the Constitution of the State of California, and Title 7, Part 3, of the Code of Civil Procedure of California, and all pleadings, proceedings and process in said title provided shall be applicable to the condemnation proceeding hereunder.

CHAPTER 672

An act to amend Section 28154 of the Government Code, relating to compensation for public service in counties of the fifty-fourth class.

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28154 of the Government Code is amended to read:

Mariposa
County
officers
Salaries

28154. In a county of the fifty-fourth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, two thousand two hundred dollars (\$2,200) a year.

(b) The district attorney, four thousand dollars (\$4,000) a year.

(c) Each supervisor, three thousand dollars (\$3,000) a year, for all services required of him by law in any capacity. Supervisors may use automobiles provided and maintained by the county in the performance of the duties required of them by law.

(d) Grand jurors shall be paid five dollars (\$5) a day, and jurors in the superior court shall be paid five dollars (\$5) for each day's attendance. Grand and trial jurors shall receive ten cents (\$0.10) for each mile actually traveled each way while serving as such grand or trial juror. The county clerk shall certify to the auditor the number of days' attendance and the number of miles traveled by each juror. The auditor shall draw his warrant for the fees and mileage due the juror, and the treasurer shall pay the warrant.

The compensation provided by this section shall be payable to incumbent officers.

SEC. 2. If it is not legally competent to pay the compensation provided by this act to incumbent officers on the effective date of this act, such increase in compensation shall nevertheless be payable to the officers designated in this act as soon as it is legally competent to do so.

CHAPTER 673

An act to amend Section 28146 of the Government Code, relating to compensation for public services in counties of the forty-sixth class.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 28146 of the Government Code is amended to read:

28146. In a county of the forty-sixth class the following shall receive as compensation for the services required of them by law, or by virtue of their offices, the following sums:

(a) The auditor, three thousand five hundred twenty dollars (\$3,520) a year.

(b) The district attorney, five thousand four hundred dollars (\$5,400) a year.

(c) Each supervisor, four thousand two hundred dollars (\$4,200) a year for all services performed by him, as supervisor and member of the board of equalization; provided, that if and when any county of this class adopts a charter, and the

Tuolumne
County
officers
Salaries

provisions of the charter provide for the election of members of the board of supervisors on a county-wide basis, the salary of each supervisor shall be four thousand eight hundred dollars (\$4,800) a year, unless otherwise provided by the charter.

In lieu of mileage, supervisors may use automobiles provided and maintained by the county in connection with the performance of their official duties.

(d) The official reporter of the superior court shall receive as full compensation for taking notes in criminal cases in the superior court, before the grand jury, for preliminary examinations and for coroner's inquests, and for transcribing notes in justice courts preliminary examinations, as secretary of the superior court, a monthly salary of two hundred seventy-five dollars (\$275) payable out of the county treasury at the same time and in the same manner as the salaries of the county officers are paid. He shall receive as compensation for taking notes when required in civil cases a per diem as provided by law, to be paid by the litigants as the court directs, and for transcription of such notes in civil cases, and in criminal cases on appeal from the superior court, such fees as are provided by law. The compensation for transcriptions in criminal cases on appeal from the superior court shall be audited and allowed upon a written order of the court and paid out of the county treasury, and in civil cases shall be paid by the party ordering the transcript, or when ordered by the judge, by either party, or by both or all parties, as the court directs. He shall also be allowed his actual traveling expenses when reporting outside of the county seat.

(e) Grand jurors and jurors in the superior court shall be paid five dollars (\$5) a day for each day's attendance, and ten cents (\$0.10) per mile each way per each day of service. The county clerk shall certify to the auditor the number of days' attendance and the number of miles traveled by each juror. The auditor shall draw his warrant for the fees and mileage due the juror, and the treasurer shall pay the warrant.

(f) Witnesses when legally required to attend upon the superior court in criminal cases and upon the juvenile court in juvenile court matters, shall be paid two dollars (\$2) a day for each day's actual attendance, and twenty-five cents (\$0.25) for each mile actually traveled, in going only. The county clerk shall certify to the auditor the number of days' attendance and the number of miles traveled by each witness. The auditor shall draw his warrant for the fees and mileage due the witness, and the treasurer shall pay the warrant.

The compensation provided by this section shall be payable to incumbent officers.

SEC. 2. If it is not legally competent to pay the compensation provided by this act to incumbent officers on the effective date of this act, such increase in compensation shall nevertheless be payable to the officers designated in this act as soon as it is legally competent to do so.

CHAPTER 674

An act to amend Section 454 of the Education Code, relating to the superintendent of schools of a county of the fifty-fourth class.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 454 of the Education Code is amended to read:

Mariposa
County Su-
perintendent
of Schools

454. The annual salary of the county superintendent of schools of a county of the fifty-fourth class is six thousand dollars (\$6,000), and he shall possess a valid elementary administration credential issued by the State Board of Education.

CHAPTER 675

An act to add Article 2.5, consisting of Sections 4720 to 4728, inclusive, to Chapter 3, Part 3, Division 5 of the Health and Safety Code, relating to consolidation of two or more county sanitation districts.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 2.5, consisting of Sections 4720 to 4728, inclusive, is added to Chapter 3, Part 3, Division 5 of the Health and Safety Code, to read:

Article 2.5. Consolidation

Consoli-
dation
authorized
Resolution

4720. Two or more districts may be consolidated into a single district as provided in this article.

4721. If, in the judgment of each of the district boards, it is for the best interest of the district that it be consolidated with one or more other districts, the district board of each district shall so declare by resolution which shall contain the following:

(a) A statement of the facts requiring consolidation.

(b) A declaration of the advisability of consolidation and the willingness of the district board to consolidate.

(c) The name for the consolidated district agreed upon by the boards.

Copy of
resolution

4722. A certified copy of the resolution of each of the district boards shall be filed with the board of supervisors of the county in which the districts are located.

Hearing

4723. Upon the filing of the certified copy of the resolution of each district board the board of supervisors shall order

a hearing to be held upon the consolidation of the districts by resolution which shall contain:

(a) A statement that the district boards of _____ (naming the districts) have filed certified copies of resolutions declaring the desirability of consolidation.

(b) The name of the proposed consolidated district.

(c) The time and place where objections to the proposed consolidation will be heard, which shall not be more than 40 days after the adoption of the resolution.

(d) A statement that at said time and place any person interested, including any owner of real property in any one of the districts proposed to be consolidated, will be heard on all questions material to the proposed consolidation.

4724. Notice of hearing shall be given by publishing the resolution at least once each week for two weeks prior to the hearing in a newspaper of general circulation in each district proposed to be consolidated and by posting a copy of said resolution in three public places in each district at least two weeks before the time fixed for said hearing. Notice of hearing

4725. At the time provided in the order of hearing, or at any time to which the hearing is continued, the board of supervisors shall hear any objections to the proposed consolidation. If written objection to the proposed consolidation signed by more than 2 percent of the voters registered in any of the districts proposed to be consolidated is filed with the board it shall, and in any event it may, either adopt an order abandoning the proposed consolidation, or order the proposed consolidation submitted to the voters of the proposed consolidated district at an election, and fix the day for such election. Objections

Election

4726. At the election only voters registered in the proposed consolidated district may vote. The board of supervisors shall provide for the holding of said election on the day so fixed, shall establish election precincts, shall appoint precinct boards which shall consist of one inspector, one judge and one clerk, and shall order the other particulars of conducting the election. Notice shall be given by publication of the order calling and providing for the holding of said election at least once each week for two weeks before the election in a newspaper of general circulation in each district proposed to be consolidated and by posting a copy of said order in three public places in each district at least two weeks before said election Election procedure

4727. At the conclusion of the hearing, or if an election is held and the canvass of the election returns shows that a majority of the votes cast in each of the districts proposed to be consolidated on the question were in favor of the consolidation, then upon completion of the canvass of the election returns, the board of supervisors may, if it deems best, make an order forming the consolidated district which shall contain the name of the new district and such consolidation shall be effective as of the date of said order. No irregularities or informalities in conducting the election shall invalidate the same if the election shall have been fairly conducted. The order of consolidation is Majority vote

Order

Validity

conclusive evidence of the regularity of all prior proceedings except the adoption and publication of the resolution ordering the hearing and the fact of the hearing. Any action or proceedings wherein the validity of the consolidation, or any of the proceedings in relation thereto is contested, questioned or denied, shall be commenced within three months from the date of such order of consolidation. Otherwise said consolidation and all proceedings in relation thereto shall be held to be valid and in every respect legal and incontestable.

Taxation

4728. The taxable real property within each district, consolidated as provided in this article, or within each improvement district therein, as the case may be, shall remain liable to be taxed for the payment of the bonds of such district and the interest thereon, or the bonds of such improvement district and the interest thereon and any other indebtedness, obligation or liability outstanding on the date of consolidation as if said district had not been consolidated. Unsold bonds of any district, consolidated as provided in this article, or of any improvement district therein, may be issued by the consolidated district, but the proceeds shall be applied as if said district had not been consolidated.

Bonds

CHAPTER 676

An act appropriating to the Department of Finance supplies and equipment in the Service Revolving Fund.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955]

The people of the State of California do enact as follows:

SECTION 1. All supplies and equipment belonging to the Service Revolving Fund, abolished by Chapter 683, Statutes of 1953, are hereby appropriated and transferred to the Department of Finance for use in the maintenance of state buildings.

CHAPTER 677

An act to amend Section 1860.3 of the Insurance Code relating to the administration, enforcement and interpretation of provisions of the Insurance Code, relating to rates and rate making.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1860.3 of the Insurance Code is amended to read:

1860.3. The provisions of the following sections of this code shall be applicable to the administration, enforcement and interpretation of this chapter:

Sections 1 to 41, both inclusive, 100 to 121, both inclusive, 620, 621, 700, 701, 704, 730 to 737, both inclusive, 12903, 12904, 12919, 12921, 12921.5, 12924 to 12926, both inclusive, 12928, 12930, and 12974 to 12977, both inclusive.

CHAPTER 678

An act to repeal Sections 132 and 146 of the Fish and Game Code, relating to game refuge districts.

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Sections 132 and 146 of the Fish and Game Code are repealed.

CHAPTER 679

An act to amend Section 1023 of the Probate Code, relating to distribution of estates.

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1023 of the Probate Code is amended to read as follows:

1023. If an heir, devisee or legatee dies before the distribution to him of his share of the estate, such share may be distributed to the representative of his estate for the purpose of administration therein, or to the estate of such decedent for the purpose of administration therein, with the same effect as if it had been distributed to him while living.

In the event any heir, devisee or legatee so dying before distribution is named in any decree of distribution heretofore or hereafter entered, purporting to make distribution to such distributee by name, such decree shall not be deemed void but shall have the same effect as though such distribution had been made to him while living. However, where the share is purportedly distributed to him pursuant to the terms of a will which provides that he shall be entitled to the same only in the event he survives the date of distribution, then such purported distribution as to him shall be void. This paragraph shall not apply in any case where such heir, devisee or legatee dies before the decedent.

SEC. 2. A proceeding or defense based on the invalidity of any such decree of distribution heretofore entered, on the ground such decree purported to make distribution to a deceased distributee by name, can only be commenced or maintained within one year from the taking effect of this act.

CHAPTER 680

An act to add Section 9414 to the Government Code, relating to witnesses before legislative committees.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 9414 is added to the Government Code, to read:

9414. Any person who does any of the following is guilty of a misdemeanor:

(a) Coerces or attempts to coerce any person not to appear as a witness before any committee.

(b) Deprives, attempts to deprive, or threatens to deprive any other person, or requests any employer to deprive any employee, of lawful employment when such deprivation, attempt, threat or request is motivated by the fact that such other person or employee is, was, or may become a witness before a committee. This section shall not be construed to prevent any employer from discharging an employee for cause nor shall it be construed to prevent a labor union or an agent thereof from requesting the dismissal of an employee when such request is motivated by a cause other than that specified herein.

CHAPTER 681

An act to add Sections 35408 and 35409 to the Water Code, relating to the powers of California water districts.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 35408 is added to the Water Code, to read:

35408. A district may commence, maintain, intervene in, compromise and assume the costs of any action or proceeding involving or affecting the ownership or use of waters or water rights within the district used or useful for any purpose of the district or a benefit to any land.

SEC. 2. Section 35409 is added to said code, to read:

35409. A district may commence, maintain, intervene in, defend and compromise actions and proceedings to prevent interference with or diminution of the natural flow of any stream or natural subterranean supply of waters which may:

- (a) Be used or be useful for any purpose of the district;
- (b) Be of common benefit to the land or its inhabitants; or
- (c) Endanger the inhabitants or land.

CHAPTER 682

An act to add Article 2b to Chapter 3 of Division 2 of the Agricultural Code, relating to the feeding of garbage to swine.

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 2b is added to Chapter 3 of Division 2 of the Agricultural Code, to read:

Article 2b. Swine Diseases From Garbage

216. In order to prevent the spread of vesicular exanthema and other contagious and infectious diseases of swine, it is unlawful to feed swine any garbage unless such garbage has been processed in accordance with the provisions of this article Feeding
garbage
to swine and the rules and regulations of the director promulgated thereunder.

216.1. As used in this article, "garbage" means any waste consisting in whole or in part of animal waste resulting from handling, preparing, cooking, and consuming of food including the offal from animal carcasses or parts thereof, but excluding such waste from ordinary household operations which is fed directly to swine on the premises. "Garbage"

216.2. Institutions and agencies of the State or of a county or of any municipal or other public corporation feeding garbage to swine shall not be required to procure a license, but shall comply with all other provisions of this article and rules and regulations issued hereunder. State, etc.,
agencies or
institutions

216.3. It is unlawful to feed garbage to swine without having a valid annual license issued by the director for each separate premises where garbage is fed to swine. License

216.4. Applications for such licenses shall be in the form prescribed by the director, and shall state the name and address of the applicant, the location of the premises for which the license is requested, and such other information as the director may require. Applications

216.5. Each application for a license to feed garbage to swine shall be accompanied by a fee of twenty dollars (\$20). Application for renewal of a license, accompanied by the proper fee, shall be made on or before the last day of the calendar year for which license was issued. To any fee not paid when due, there shall accrue and be added a penalty of twenty dollars (\$20). Fees

216.6. Each license issued under the provisions of this article shall entitle the licensee to feed garbage to swine on the premises described therein, during the period for which the license is issued, in accordance with the provisions of this article and the rules and regulations issued hereunder, and in compliance with local and municipal ordinances applicable to the feeding of garbage to swine. Licensee's
authority

Refusal,
revocation,
etc

216.7. The director may refuse to issue a license or renewal of license, and may revoke or suspend any license, as the case may require, when he finds after hearing, that the premises described in the application or license are not operated in a clean and sanitary manner so as to prevent the continuation and spread of vesicular exanthema, are not adequately equipped or maintained in a manner required by the provisions of this article and rules and regulations issued hereunder, or that the applicant or licensee has violated any of the said provisions or any lawful order of the director issued pursuant to this article. The proceedings for all hearings under the provisions of this article shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, and the director shall have all powers granted therein.

Inspection,
rules, etc

216.8. The director may make and enforce such rules and regulations as are reasonable and necessary to carry out the provisions of this article. He may enter any premises where garbage is fed to swine and may examine and test any equipment or facilities for processing and handling garbage. He may in writing order any person subject to this article to cease the operation of any equipment or facility which he finds unsuitable or improperly operated or maintained.

Treatment
of garbage

216.9 All garbage, regardless of previous processing, before being fed to swine, shall be thoroughly heated throughout to boiling or equivalent temperature (usually 212 degrees Fahrenheit at sea level) for 30 minutes or otherwise treated in a manner prescribed in the rules and regulations of the director.

Records, re-
ports, etc

216.10. Every person subject to this article shall keep and maintain such records or memoranda and furnish such reports as the director by rules and regulations may require. Such records and memoranda shall be open to inspection by the director during usual business hours.

City, etc.,
licensing

216.11. Nothing in this article shall be construed to prohibit any city, county, or city and county, from licensing persons feeding garbage to swine.

Operative
date

216.12. This article shall become effective January 1, 1956.

CHAPTER 683

An act to amend Section 205.5 of the Agricultural Code, relating to livestock, including provisions for the protection thereof.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 205.5 of the Agricultural Code is amended to read:

205.5. For the purpose of protecting the agricultural industry of this State and to coordinate livestock sanitary activities within this State and among the several states having common or similar problems in the field of livestock disease prevention, quarantine, eradication or control, there is hereby created a State Livestock Sanitary Committee.

Said committee shall be comprised of three members who shall be appointed by the Governor and who shall serve for a term of two years and until their successors are appointed after the expiration of said term. One such member shall be recommended by the director to represent the official livestock sanitary services of the State and the other members shall be representatives of the livestock industry of the State. Any member who is not in the employ of the State shall be compensated at the rate of twelve dollars and fifty cents (\$12.50) per diem for each day of official service rendered in behalf of the committee. Each member of the committee shall be allowed necessary traveling and incidental expenses incurred in the discharge of any of his duties under this section.

The State Livestock Sanitary Committee shall meet periodically with the livestock sanitary officials and/or duly authorized agricultural representatives of the several states and of the Federal Government and with members of any like committee from other states. The members of the State Livestock Sanitary Committee shall cooperate with the director and shall keep both the Governor and the director advised of important and significant developments in phases of work in connection with which the committee is appointed. All matters pertaining to budgetary allotments and fiscal procedures in connection with the work of the committee shall be handled by the department.

The provisions of this section shall be effective until the ninety-first day after final adjournment of the 1957 Regular Session of the Legislature.

CHAPTER 684

An act to add Section 35.12 to the Agricultural Code, relating to the Department of Agriculture Building Fund.

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 35.12 is added to the Agricultural Code, to read:

35 12. When money from the Department of Agriculture Building Fund is used for investment purposes in the purchase of property and in the construction of buildings, and appurtenant facilities or in the purchase of property, or in the construction of buildings, and appurtenant facilities for the use of the Department of Agriculture, or for the use of the Department of Agriculture and other state agencies, the Director

of Agriculture may do any and all things necessary to protect the investment including purchasing insurance against the loss of or damage to the property or the loss of use and occupancy of the property. Any transaction entered into by the Director of Agriculture under this section shall be subject to the approval of the Department of Finance.

CHAPTER 685

An act to amend Section 2137.1 of the Business and Professions Code, relating to persons authorized to practice medicine in state institutions.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2137.1 of the Business and Professions Code is amended to read:

2137.1. Subject to the provisions of the State Civil Service Act, any person who is licensed to practice medicine in any other state and who complies with each and all of the requirements of Section 2147.5 with respect to registration with the board and graduation from a school approved by the board, may be appointed to a medical staff within a state institution and, under supervision of a licensed physician and surgeon, may treat persons under the jurisdiction of any such state institution for a period not exceeding one year or until October 1, 1957, whichever is later; provided, that qualified physicians and surgeons cannot be recruited in the State of California. At the end of such time he must have secured a physician's and surgeon's certificate in order to continue as a member of such medical staff. Until such person has obtained a physician's and surgeon's certificate he shall not engage in the practice of medicine and surgery in this State except to the extent expressly herein permitted. No person appointed pursuant to this section shall be employed in any state institution or institutions for a period in excess of two years from the date such person was first so employed. The provisions of this section shall terminate on October 1, 1957.

CHAPTER 686

An act to amend Section 20343.1 of the Education Code, relating to student fees at state colleges.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 20343.1 of said code is amended to read:

20343.1. The unexpended portion of any fee, as determined by regulations prescribed by the Director of Education and approved by the Department of Finance, collected from a student in any state college may be refunded to such person.

CHAPTER 687

An act to add Section 5416.5 to, and to amend Section 5659 of, the Public Resources Code, relating to public districts organized to provide parks, recreation facilities and parkways.

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5416.5 is added to the Public Resources Code, to read:

5416.5. Annually, at least 15 days before the first day of the month in which county taxes are levied, the governing body of the district shall estimate and determine the amount of money necessary for all purposes required under the provisions of this article during the next ensuing fiscal year. Such estimate may be adopted by resolution of the governing body of the district at any regular meeting except the one at which the proposed estimate is first introduced for consideration.

Estimates:
Recreation,
park and
parkway
districts

SEC. 2. Section 5659 of the Public Resources Code is amended to read:

5659. Annually, at least 15 days before the first day of the month in which county taxes are levied, the board of district trustees of each district shall furnish to the board of supervisors of each county in which any part of the district is situated, an estimate in writing of the amount of money necessary for all purposes required under the provisions of this article during the next ensuing fiscal year. Such estimate may be adopted by the board of district trustees at any regular meeting except the meeting at which the proposed estimate is first introduced for consideration. If the district embraces territory lying in more than one county, the amount estimated should be ratably apportioned among the counties in proportion to the exact value of the property in the counties included within the district, as shown upon the last equalized assessment rolls of the counties.

Same: Park,
recreation
and parkway
districts

CHAPTER 688

An act to amend Sections 6751 and 6753 of the Business and Professions Code, relating to professional engineers.

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6751 of the Business and Professions Code is amended to read:

Qualifica-
tions.
Professional
engineer

6751. (a) The applicant for registration as a professional engineer shall:

(1) Be of good moral character;

(2) Furnish evidence of six years or more of experience in engineering work satisfactory to the board evidencing that applicant is competent to practice the character of engineering in the branch for which he is applying for registration, and successfully passing an examination.

Same.
Engineer-in-
training

(b) The applicant for certification as an engineer-in-training shall:

(1) Be of good moral character;

(2) Successfully pass an examination.

Graduation from an engineering school or college where the curriculum has been approved by the board shall count as four years of experience and each year of study completed without graduation in an engineering school or college where the curriculum has been approved by the board shall count as one-half year of experience, except that applicants for registration in any branch of professional engineering shall not receive credit for more than four years of experience because of undergraduate educational qualifications. The board, may in its discretion consider graduation in a nonaccredited engineering curriculum, as equivalent to not more than two years experience.

SEC. 2. Section 6753 of the Business and Professions Code is amended to read:

Engineering
experience

6753. Except with respect to applicants for registration as civil engineers, the board:

(a) May at its discretion give credit as experience not in excess of one year, for satisfactory postgraduate work in a school of engineering where the curriculum has been approved by the board;

(b) Shall consider engineering teaching, if of a character satisfactory to the board, as engineering experience.

CHAPTER 689

An act to amend Section 6731 of the Business and Professions Code, relating to civil engineering.

In effect
September
7, 1955

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 6731 of the Business and Professions Code is hereby amended to read as follows:

6731. Civil engineering embraces the following studies or activities in connection with fixed works for irrigation, drainage, water power, water supply, flood control, inland waterways, harbors, municipal improvements, railroads, highways.

tunnels, airports and airways, purification of water, sewerage, refuse disposal, foundations, framed and homogeneous structures, buildings, or bridges:

(a) The economies of, the use and design of, materials of construction and the determination of their physical qualities.

(b) The supervision of the construction of engineering structures.

(c) The investigation of the laws, phenomena and forces of nature.

(d) Appraisals or valuations.

(e) The preparation and/or submission of designs, plans and specifications and engineering reports.

Nothing in this chapter shall prohibit the preparation of plans, drawings, specifications, estimates, or instruments of service for single or multiple dwellings not more than two stories and basement in height; and garages or other structures appurtenant to such dwellings; farm or ranch buildings; or any other buildings, except steel frame or concrete buildings, not over one story in height, where the span between bearing walls does not exceed twenty-five (25) feet.

Civil engineering also includes city and regional planning insofar as any of the above features are concerned therein, and geodetic, municipal and topographic surveying.

CHAPTER 690

An act to amend Section 18851 of the Education Code, relating to the purchase of school supplies.

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 18851 of the Education Code is amended to read:

18851. The county board of education shall on or before the first day of February of each year establish rules and regulations under which elementary school districts governed by school trustees shall purchase standard school supplies and equipment through the county superintendent of schools, or when so directed by him, through a county purchasing agent.

When the county superintendent of schools purchases standard school supplies without directing their purchase through the county purchasing agent or other county, city, or school district agent or agency, he shall make such purchase from the lowest responsible bidder who shall give such security as the county superintendent of schools requires, or else reject all bids. For the purpose of securing bids, the county superintendent of schools shall publish at least once a

week for two weeks in a newspaper of general circulation published in the county, a notice calling for bids stating where the list and specifications of standard school supplies and equipment to be furnished may be obtained and the time when, which shall not be less than 30 days after the date of completion of publication, and the place where bids will be opened.

The county board of education shall list as standard school supplies and equipment such supplies and equipment as can be advantageously purchased in quantity. The list of standard school supplies shall be accompanied by a table of specifications giving the minimum grade, quality, substance, or other standard required for the purchase of each item listed.

The cost of advertising for bids and the cost of preparation of a table of specifications shall be paid from the county general fund.

CHAPTER 691

An act to amend Section 6535 of, and to add Section 6535.1 to, the Business and Professions Code, relating to barbers and barber colleges.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6535 of the Business and Professions Code is amended to read:

Admission 6535. No college of barbering shall be approved by the board unless it requires as a prerequisite to admission thereto graduation from an eighth grade grammar school, or its equivalent as determined by an examination conducted by the board, and unless it requires as a prerequisite to graduation a course of instruction of not less than 1,248 hours to be completed within 12 months at the rate of not more than eight hours in any one working day.

Curriculum This course of instruction shall include the following subjects: Scientific fundamentals of barbering, hygiene, histology of the hair and skin, structure of the head, face and neck, elementary chemistry relating to sterilization and antiseptics, massaging and manipulating the muscles of scalp, face or neck, haircutting, shaving and arranging, dressing, coloring, bleaching and tinting the hair.

SEC. 2. Section 6535.1 is added to said code, to read:

Extension of
time to com-
plete course 6535.1. The board may, in its discretion, extend for a reasonable period the period of time within which any course of instruction shall be completed by any student upon the showing of good cause, which shall include but is not limited to interruptions in completing the course of instruction caused by any illness of or accident to the student or service in the armed forces of the United States.

CHAPTER 692

An act to amend Section 11007.7 of the Government Code, relating to procuring of insurance by state agencies.

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 11007.7 of the Government Code is amended to read:

11007.7. The procurement of insurance by any state agency shall be subject to approval of the Department of Finance. Any such procurement may, upon request of the state agency concerned, be made by the Department of Finance on behalf of such agency.

Whenever the procurement of insurance for or on behalf of the State is authorized by law and no state agency is specifically authorized to purchase such insurance, the Department of Finance may procure such insurance.

This section shall not apply to (a) insurance procured by the Department of Public Works or the California Toll Bridge Authority under Sections 100.7 and 30450 to 30453, inclusive, Streets and Highways Code; (b) insurance procured by the State Treasurer under Section 12305 of this code; (c) workmen's compensation insurance procured under Section 11870, Insurance Code; (d) insurance procured by the Department of Veterans Affairs under Division 4 of the Military and Veterans Code.

CHAPTER 693

An act to amend Sections 26209, 26327, 26328, 26336, and 26360 of the Health and Safety Code, relating to advertisement, inspection, samples, analyses, and quarantine of drugs and devices.

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26209 of the Health and Safety Code is amended to read:

26209. The term "advertisement" means all representations including, but not limited to, statements upon containers, packages, cartons, and any other container, disseminated in any manner or by any means, for the purpose of inducing, or which are likely to induce, directly or indirectly, the purchase or sale of drugs or devices. "Advertisement"

SEC. 2. Section 26327 of said code is amended to read:

26327. Any agent shall have free access, at all reasonable hours, for the purpose of examining any place where it is Inspection

suspected that any article of adulterated, misbranded, or falsely advertised drugs and devices exist.

SEC. 3. Section 26328 of said code is amended to read:

Samples

26328. If a sale is refused upon a tender of the market price of the articles, the agent may take from any person samples of any articles suspected of being adulterated, misbranded, or falsely advertised, and shall deliver or forward such samples to the state laboratory for examination and analysis.

SEC. 4. Section 26336 of said code is amended to read:

Analyses

26336. The director shall require the Chief of the Division of Laboratories or the Chief of the Bureau of Food and Drug Inspection to make examinations and analyses of drugs or devices which are on sale in California and which are suspected of being adulterated, misbranded, or falsely advertised.

SEC. 5. Section 26360 of said code is amended to read:

Quarantine

26360. Whenever a duly authorized agent of the board finds, or has probable cause to believe, that any drug or device is adulterated, misbranded, or falsely advertised, he shall affix to such articles a tag or other appropriate marking giving notice that such article is, or is suspected of being, adulterated, misbranded, or falsely advertised and has been detained or quarantined, and warning all persons not to remove or dispose of such article by sale or otherwise until permission for removal or disposal is given by the Chief of the Bureau of Food and Drug Inspection or the court.

CHAPTER 694

An act to amend Sections 26470 and 26472 of the Health and Safety Code, relating to the adulteration of meat.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 26470 of the Health and Safety Code is amended to read:

26470. A food shall be deemed to be adulterated:

When
deemed
adulterated
Components

(1) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance such food shall not be considered adulterated under this clause if the quantity of such substance in such food does not ordinarily render it injurious to health; or

(2) If it bears or contains any added poisonous or added deleterious substance which is unsafe within the meaning of Section 26471; or

(3) If it consists in whole or in part of a diseased, contaminated, filthy, putrid or decomposed substance, or if it is otherwise unfit for food; or

(4) If it has been produced, prepared, packed or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered diseased, unwholesome or injurious to health; or Production

(5) If it is a diseased animal or the product of a diseased animal or an animal which has died otherwise than by slaughter, or which has been fed upon the uncooked offal from a slaughterhouse; or

(6) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(7) If it is a canned poultry product or products containing poultry meat which does not comply with any standards of freshness and purity prescribed by the board under Article 6 of this chapter, notwithstanding a compliance with the labeling requirements of Section 26494. Poultry products

SEC. 2. Section 26472 of said code is amended to read:

26472. A food shall be deemed to be adulterated:

(a) (1) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or Omission

(2) If any substance has been substituted wholly or in part therefor; or Substitution

(3) If damage or inferiority has been concealed in any manner; or Concealment

(4) If any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight or reduce its quality or strength or make it appear better or of greater value than it is. Addition

(b) If it is confectionery and it bears or contains any alcohol or nonnutritive article or substance except harmless coloring, harmless flavoring, harmless resinous glaze not in excess of four-tenths of 1 per centum, harmless natural gum and pectin. This subsection shall not apply to any confectionery by reason of its containing less than one-half of 1 per centum by volume of alcohol derived solely from the use of flavoring extracts, or to any chewing gum by reason of its containing harmless nonnutritive masticatory substances. Confectionery

(c) If it bears or contains a coal tar other than one from a batch which has been certified by the Federal Security Agency, Food and Drug Administration. Coal tar

(d) If any mineral oil has been added thereto or mixed or packed therewith. Mineral oil

(e) If it be fresh meat and it contains any chemical substance containing sulphites, sulphur dioxide, benzoate of soda or any other chemical preservative, or any substance which is not approved by the United States Bureau of Animal Industry, or the United States Department of Agriculture, or the Bureau of Animal Industry of the California State Department of Agriculture, or the California State Board of Public Health. Fresh meat

(f) If it be chopped or ground beef, or hamburger containing any substance other than the striated muscle of fresh Ground meat

beef, or if the total fat content (determined by ether extract method of analysis) of chopped or ground beef, or hamburger is in excess of 30 percent.

Monosodl.m
glutamate

Nothing in this subdivision shall be deemed to prohibit the use of monosodium glutamate in such chopped or ground beef and hamburger.

Other
additions

(g) Notwithstanding the provisions of Section 26461, nothing in this article shall be deemed to prohibit the use of common salt, sugar, wood smoke, a vinegar, pure spices, spice oils, flavorings, saltpeter, nitrate of soda, nitrite of soda and potassium nitrite in meat food products such as sausage, corned, brined or pickled meats, hams, bacon and the like. No such substances shall increase the green or original weight by more than 10 percent of products which are not smoked or cooked, with the exception of fresh uncured beef brisket in which case the finished cured product may exceed the weight of the fresh uncured brisket by 20 percent, nor shall any such substance increase the green or original weight by more than 1 percent of the green or original weight of products which are cooked or smoked. In the case of meat food products such as sausage, 10 percent added water shall be permitted and allowed in smoked or cooked products of such nature and 3 percent in said products which are not cooked or smoked.

Alimentary
paste

(h) If it be alimentary paste and contains any artificial color derived from coal tar or vegetable substances.

Saccharine

(i) If it contains any saccharine or other nonnutritive sweetening agent.

Pork or
breakfast
sausage

(j) If it be pork sausage or breakfast sausage and the total fat content (determined by the ether extract method of analysis) is in excess of 50 percent.

CHAPTER 695

An act to amend Sections 28003 and 28007 of the Health and Safety Code, relating to horse meat.

In effect
September
7, 1955

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 28003 of the Health and Safety Code is amended to read:

Prohibited
slaughtering,
sale, stor-
age, etc

28003. Horses shall not be slaughtered nor shall horse meat be stored, packed, offered for sale or sold in any establishment or part thereof, or in connection with any business in which other uncooked meat, or meat food products prepared from the flesh of cattle, calves, sheep, lambs, swine or goats is slaughtered, stored, packed, cooked, offered for sale or sold. Exception to this shall be made where the horse meat is stored in direct connection with canning plants, for use in cooking in hermetically sealed containers under state or federal inspec-

tion. The public cold storage of horse meat in licensed warehouses is permissible; provided, the horse meat is in original sealed containers, recorded as such in the warehouse records and the storage pile is readily distinguishable as consisting of horse meat; and provided further, that it shall not be stored, commingled with or maintained directly in contact with fresh or other meat used for human consumption.

SEC. 2. Section 28007 of said code is amended to read:

28007. Uninspected horse meat shall be kept and stored in a separate unit provided for that purpose. A sign which reads "horse meat not inspected. For animal consumption only" with letters two (2) inches high and approximately one (1) inch wide shall be conspicuously displayed so that it can readily be seen by those in the room where such horse meat is sold. Keeping of
uninspected
horse meat

(a) All uninspected horse meat shall bear a tag or label with the words "horse meat not inspected. For animal consumption only," printed thereon in red letters not less than one-half ($\frac{1}{2}$) inch in height. All inspected horse meat shall bear a tag or label with the words "inspected horse meat," "U. S. Government inspected horse meat," "state inspected horse meat," or "municipally inspected horse meat," depending upon the type of inspection made of said product, with letters printed thereon not less than one-half ($\frac{1}{2}$) inch in height; provided, that the letters may be less than one-half ($\frac{1}{2}$) inch in height where the horse meat is processed, packaged, and sealed at the point of inspection and bears the label required by the inspection agency. Labeling

(b) All uninspected horse meat when kept for sale, offered for sale, or sold shall be denatured or decharacterized so as to be readily distinguishable from an article of human food by the addition thereto of not less than one-twentieth of 1 percent of charcoal or in any other manner satisfactory to the State Department of Public Health. Denaturing

(c) All canned dog and/or pet food manufactured from horse meat and/or horse meat by-products and/or meat and/or meat food products and packed in hermetically sealed containers shall not on their labels use any of the following terms: "packed in gravy," "packed with gravy," "horse meat loaf," and/or "horse meat stew," or any other term, phrase or statement from which it might be inferred or implied that said product is or could be used for human consumption. Each container in which dog and/or pet food manufactured from horse meat and/or horse meat by-products and/or meat and/or meat food products is packed shall have affixed thereto a label bearing the following information in addition to all other information required by law to appear thereon: (1) the name of the food, such as "dog food," "cat food," "dog and cat food," "fox food," "pet food," or "animal food," in letters not less than one-half inch in height; (2) the word "ingredients" followed by a complete list of the ingredients of the food in the order of their predominance and Sealed dog
or pet food
Prohibited
labels

by their common or usual names in letters not more than one-fourth of an inch in height. Labeling for all products referred to in this subsection shall be approved by the State Department of Public Health prior to use.

CHAPTER 696

An act to amend Section 734 of the Fish and Game Code, relating to albacore.

In effect
September
7, 1955

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 734 of the Fish and Game Code is amended to read:

734. No albacore weighing less than seven pounds may be sold.

CHAPTER 697

An act to amend Sections 6844, 6876, 6885.7, 6890, 6891, and 6893 of, and to add Section 6893.1 to, the Health and Safety Code, relating to sanitary districts.

In effect
September
7, 1955

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6844 of the Health and Safety Code is amended to read:

Notice
Annexation
by election

6844. The petition shall be published for at least two weeks preceding its hearing in a newspaper of general circulation published in the district, if there is one, and if not, in a newspaper of general circulation published in the county, together with a notice stating the number of signers of the petition, the time when the petition will be presented to the board and that all persons interested may appear and be heard. It shall not be necessary to publish the names of the signers.

SEC. 2. Section 6876 of said code is amended to read:

Same
Annexation
without
election

6876. With the petition there shall be published a notice stating the number of signers of the petition, the time when the petition will be presented to the board, and stating that all persons interested may appear and be heard. It shall not be necessary to publish the names of the signers.

SEC. 3. Section 6885.7 of said code is amended to read:

Same:
Annexation
of territory
not con-
tiguous

6885.7. With the petition and the terms and conditions of the annexation there shall be published a notice stating the number of signers of the petition, the time and place at which the hearing on the proposed annexation will be held, and stating that all persons interested may appear and be heard. It shall not be necessary to publish the names of the signers.

SEC. 4. Section 6890 of said code is amended to read:

6890. Two or more sanitary districts in the same county may be consolidated as provided in this chapter, whether their boundaries are contiguous or not. Contiguous districts Consolidation

SEC. 5. Section 6891 of said code is amended to read:

6891. Whenever a petition signed by 25 residents and freeholders in a district is presented to the board requesting that the district be consolidated with another district the board, after notice, shall hold a hearing on the question of such consolidation. Petition

SEC. 6. Section 6893 of said code is amended to read:

6893. If the boards of two districts each determine after such hearing that the consolidation of the districts would be for the best interests of the respective districts the boards shall in joint meeting declare their respective determinations and each shall make an order that thereafter the land within its district shall be and become a part of the consolidated district under such name as the boards shall jointly determine. Thereafter the consolidated district shall constitute a district under such name, and the joint boards shall present to the county board of supervisors a petition setting forth the proceedings theretofore taken for the consolidation of such districts and requesting the board of supervisors to cause to be entered in its minutes an order setting forth the name and boundaries of the consolidated district. Joint determinations

SEC. 7. Section 6893.1 is added to said code, to read:

6893.1. The board of supervisors at its next regular meeting after the presentation of the petition shall make and cause to be entered in its minutes an order that a consolidated district, of the name and with the boundaries stated in said petition setting forth the boundaries, has been established and, if the tax levy of said consolidated district is carried on the regular county assessment roll, shall file or cause to be filed with the assessor of the county and with the State Board of Equalization a statement of the creation of such consolidated district, setting forth the legal description of the boundaries of the consolidated district, together with a map or plat indicating such boundaries, as provided by Sections 54900, 54901, and 54902 of the Government Code. Consolidation order

CHAPTER 698

*An act to amend Section 5050.5 of the Insurance Code,
relating to county mutual fire insurers.*

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5050.5 of the Insurance Code is amended to read:

5050.5. Any county mutual fire insurer heretofore or hereafter incorporated and doing business under the provisions of this chapter may, if it has issued an insurance policy against fire, and as long as it maintains an excess of admitted assets over liabilities of at least fifty thousand dollars (\$50,000), indorse such policy to extend the coverage thereof to include insurance of the kinds included in Sections 107, 112 and 120.

CHAPTER 699

An act to amend Section 26883 of the Government Code, relating to audits performed by counties.

In effect
September
7, 1955

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 26883 of the Government Code is amended to read:

26883. In addition to the power now possessed by the board of supervisors to enter into contracts for audits the board shall have the power to require that the county controller shall audit the books, accounts, money and securities of any department, office, board or institution under its control and of any district whose funds are kept in the county treasury. The county controller's report on any such audit shall be filed with the board of supervisors and a copy thereof with the district attorney.

The governing body of any district may agree with the board of supervisors to reimburse the county for its actual cost of any audit of its books, accounts, money and securities had under this section.

CHAPTER 700

An act to amend Section 1625 of the Business and Professions Code, relating to dentistry.

In effect
September
7, 1955

[Approved by Governor May 23, 1955 Filed with
Secretary of State May 23, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1625 of the Business and Professions Code is hereby amended to read as follows:

1625. A person practices dentistry within the meaning of this chapter who does any one or more of the following:

(a) By card, circular, pamphlet, newspaper or in any other way advertises himself or represents himself to be a dentist.

(b) Performs, or offers to perform, an operation or diagnosis of any kind, or treats diseases or lesions of the human teeth, alveolar process, gums, jaws, or associated structures, or corrects malposed positions thereof.

(c) In any way indicates that he will perform by himself or his agents or servants any operation upon the human teeth, alveolar process, gums, jaws, or associated structures, or in any way indicates that he will construct, alter, repair, or sell any bridge, crown, denture or other prosthetic appliance or orthodontic appliance.

(d) Makes, or offers to make, an examination of, with the intent to perform or cause to be performed any operation on the human teeth, alveolar process, gums, jaws, or associated structures.

(e) Manages or conducts as manager, proprietor, conductor, lessor, or otherwise, a place where dental operations are performed.

CHAPTER 701

An act to amend Section 429 of the Education Code, relating to the county superintendent of schools in counties of the twenty-ninth class.

[Approved by Governor May 23, 1955. Filed with
Secretary of State May 23, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 429 of the Education Code is amended to read:

429. The annual salary of the county superintendent of schools of a county of the twenty-ninth class is eight thousand seven hundred dollars (\$8,700), and he shall possess a valid elementary or secondary administrative credential issued by the State Board of Education.

The compensation provided by this section shall be payable to incumbent officers.

CHAPTER 702

An act to amend Sections 35119 and 35121 of the Government Code, relating to cities.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 35119 of the Government Code is amended to read:

35119. The city clerk shall cause a copy of the resolution to be published at least once a week for the two weeks prior to the hearing in a newspaper of general circulation published in the territory proposed to be annexed, or if there is none, in a newspaper of general circulation published in the city. If no such newspapers are published, a copy of the resolution

shall be posted not less than 10 days before the hearing in at least three public places within the territory.

The city clerk shall also cause written notice of such proposed annexation to be mailed to each owner of an equitable or legal interest in land, other than an easement or right of way, within the territory to be annexed who has filed his name and address and a general description of such land, sufficient to identify it on the last equalized county assessment roll, with said clerk. Said notice shall be mailed not less than twenty (20) days before the first public hearing on the proposed annexation.

SEC. 2. Section 35121 of the Government Code is amended to read:

35121. At the time set for hearing protests the city legislative body shall hear and pass upon all protests so made. If it finds that protest is made by the owners of land within the territory, the assessed value of which as shown by the last equalized assessment roll constitutes more than one-half of the total assessed value of the land within the territory to be annexed, or that protest is made by public and private owners of more than one-half of the value of the territory proposed to be annexed, as determined by the legislative body, no further proceedings for the annexation of any of the territory shall be taken for one year after the finding.

CHAPTER 703

An act to amend Sections 11543 and 11544 of the Business and Professions Code, relating to sewers and other facilities in real estate subdivisions.

In effect
September
7, 1955

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 11543 of the Business and Professions Code is amended to read:

11543. Whenever a local ordinance requires that a subdivider install sewers, drains, or other facilities for sewers and drains as a condition precedent to the acceptance of a final map or filing of the record of survey map, and where, in the opinion of the governing body it is necessary that laterals or other facilities be constructed which can be, or will be, used for the benefit of property not in the subdivision, and such sewers, drains, or other facilities are dedicated to the public, the governing body may by contract with the subdivider agree to reimburse and may reimburse the subdivider for such lateral or other facility. Such contract shall provide that the governing body may collect from any person using such lateral or other facility for the benefit of property not within such subdivision a reasonable charge for such use.

SEC. 2. Section 11544 of said code is amended to read:
11544. Whenever the governing body has reimbursed or agreed to reimburse a subdivider for the construction of a lateral or other facility which can or will be used by persons for the benefit of property other than that being subdivided by such subdivider, such governing body may impose and collect for such use a reasonable charge.

SEC. 3. The amendments made by this act do not constitute a change in, but are declaratory of, the pre-existing law.

CHAPTER 704

An act authorizing the Director of Finance to dispose of state-owned licenses and easements.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The Director of Finance may convey, upon such terms and conditions and with such reservations and exceptions as in his opinion may be for the best interests of the State, all the right, title and interest of the State in and to licenses and easements, including pipelines, for sewer line purposes heretofore acquired by the State and no longer needed for state purposes, located in the vicinity of Pacific State Hospital in Los Angeles County, State of California.

SEC. 2. A copy of any deed executed and delivered by the Director of Finance pursuant to this act shall be delivered to the State Lands Commission.

CHAPTER 705

An act to amend Sections 12164, 12186, 12187, 12189, and 12203 of the Government Code, relating to fees.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12186 of the Government Code is amended to read:

12186. The fee for comparing a copy of any law, resolution, record, or other document or paper with the original, or the certified copy of the original, on file in his office, is one dollar (\$1); provided, however, that where certified copies of two or more instruments or documents have been filed under a single certificate of certification all such instruments or documents shall be deemed to constitute a single instrument or document for the purposes of this section.

Fees
Comparing
paper, etc

Recording
fees: Mis-
cellaneous
papers, et c.

SEC. 2. Section 12187 of said code is amended to read:
12187. The fee for recording miscellaneous documents or papers is two dollars (\$2).

Railroad
equipment
conditional
sale
contracts

SEC. 3. Section 12189 of said code is amended to read:
12189. The fee for recording contracts for conditional sale of railroad or street railway equipment or rolling stock and declarations of payment and performance is two dollars (\$2).

Articles of
incorpora-
tion, etc., of
foreign
corporations

SEC. 4. Section 12203 of said code is amended to read:
12203. The fee for recording articles of incorporation, agreements of consolidation, certified copies of articles of foreign corporations filed at the time they qualify for transaction of intrastate business in this State, agreements of merger, certificates of amendment of articles of incorporation, certified copies of documents supplementing or amending articles of foreign corporations, certificates of election to wind up and dissolve, certificates of final dissolution, certificates of determination of preferences, and certificates of distribution of reduction of surplus is two dollars (\$2).

Recordings
by Secretary
of State

SEC. 5. Section 12164 of said code is amended to read:
12164. The Secretary of State shall record in proper books all:

(a) Conveyances made to the State, except (1) evidences of title acquired for state highway purposes and retained by the Department of Public Works, and (2) conveyances of tax sold property.

(b) Articles of incorporation, agreements of consolidation, certified copies of articles of foreign corporations filed at the time they qualify for transaction of intrastate business in this State, agreements of merger, certificates of amendment of articles of incorporation, certified copies of documents supplementing or amending articles of foreign corporations, certificates of election to wind up and dissolve, certificates of final dissolution, certificates of determination of preferences, and certificates of distribution of reduction surplus filed in his office.

(c) Changes of names certified to him by the county clerks, in the manner in which such record is now made.

CHAPTER 706

An act to amend Sections 340, 416, and 562 of, and to add Section 342 to, the Military and Veterans Code and to repeal Section 561 of said code, relating to the State Militia, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 340 of the Military and Veterans Code is amended to read:

340. In all cases in which any officer or enlisted man of the National Guard or the unorganized militia when called into active service, or Naval Militia not in active service of the United States is wounded, injured, disabled, or killed in active service and in line of duty, such officer or enlisted man or the dependents of such officer or enlisted man shall be entitled to receive compensation from the State, in accordance with the provisions of Division 4 of the Labor Code. In all such cases, such an officer or enlisted man shall be held and deemed to be an employee of the State. The compensation to be awarded to any such officer or enlisted man shall be ascertained, determined, and fixed upon the basis of his average income from all sources during the year immediately preceding the date of such injury or death or the commencement of such disability; but such compensation shall in no case exceed the maximum prescribed in Division 4 of the Labor Code; except, and provided further, that all officers, warrant officers and enlisted men on active duty with the Office of the Adjutant General shall be entitled to receive from the State all rights and benefits provided in Section 3, Public Law 108, Chapter 225, Eighty-first Congress, First Session. The benefits granted by this section shall be made available to the person entitled thereto as soon as practicable and without suspension to await a determination as to the availability of similar federal benefits. Any and all such similar federal benefits, when made available to any person entitled thereto, including all members of the National Guard, shall be deducted from or credited as a payment of any benefits granted by this section.

SEC. 2. Section 416 of said code is amended to read :

416. Where the amount determined by such board as the value of lost, damaged, or destroyed property is charged to a person, it shall be deducted from any pay or allowance due or to become due to him from the State. Money due to the State for any reason, with or without the action of a board, from a member of the active militia, a member of the unorganized militia when called for active duty, or any civilian employee of the Office of the Adjutant General shall be deducted or withheld from any money due or to become due such member or civilian employee from the State, including any pay and allowances and any allowances payable pursuant to Section 323 of this code. Where the amount is charged to a command, it shall be deducted one-half in successive calendar years from any allowance or money due or to become due to it from the State, except that on the disbandment of a command any such indebtedness then existing and such as may be charged to it upon a final settlement of property accounts shall, as soon as determined, be paid out of its military funds or unexpended appropriations.

An action may be maintained in the name of the people of the State in any court of competent jurisdiction by the Attorney General, upon request of the Adjutant General, to recover from a member of the active militia, a member of the

State
Militia
Workmen's
compensation

Deduction
for lost or
destroyed
property

unorganized militia when called for active duty, or any civilian employee of the Office of the Adjutant General or his sureties any indebtedness to the State remaining unpaid upon final determination of such indebtedness.

SEC. 3. Section 562 of said code is amended to read :

National
Guard
Reserve
Workmen's
compensation

562. In all cases in which any officer, warrant officer or enlisted man or woman of the California National Guard Reserve, when organized or authorized as a cadre or otherwise, when in the performance of ordered duty, or when ordered into the active service of the State, is wounded, injured, disabled or killed in active service, or in the performance of ordered duty and in line of duty, such officer or warrant officer or enlisted man or woman or the dependents of such officer or warrant officer or enlisted man or woman shall be entitled to receive compensation from the State in accordance with the provisions of Division 4 of the Labor Code. In all such cases, such an officer, warrant officer, enlisted man or woman shall be held and deemed to be an employee of the State. The compensation to be awarded to any such officer, warrant officer, enlisted man or woman shall be ascertained, determined, and fixed upon the basis of his average income from all sources during the year immediately preceding the date of such injury or death or the commencement of such disability, but such compensation shall in no case exceed the maximum prescribed in Division 4 of the Labor Code.

Annual
yearly
earnings

In the determination of the benefits to be awarded any member of the California National Guard Reserve or his or her dependents under the provisions of this section it shall be conclusively presumed that the average yearly earning of such injured or deceased member is not less than two thousand five hundred dollars (\$2,500). Any injury, death or disability shall be deemed to have been suffered in line of duty unless the same resulted from misconduct or disobedience of lawful orders by the injured or deceased member.

SEC. 4. Section 342 is added to said code, to read :

Hearing by
Industrial
Accident
Commission

342. The Industrial Accident Commission is empowered to hear and determine all issues concerning any obligation of the State of California to provide to any officer, warrant officer, or enlisted man on active duty with the Office of the Adjutant General any rights or benefits provided in Section 3, Public Law 108, Chapter 225, Eighty-first Congress, First Session, and any and all issues arising under or in connection with such law. In doing so, the commission shall follow the same procedures in all respects as are provided in Division 4 of the Labor Code for the determination of workmen's compensation claims. The orders, decisions, and awards of the commission issued in exercising such jurisdiction are subject to review and rehearing in the manner provided in Sections 5900 to 5956, inclusive, of the Labor Code.

Repeal

Section 561 of said code is repealed.

Urgency

SEC. 5. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety

within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The proper functioning of the California National Guard is an important and integral part of the defense preparations of the State. The international situation requires immediate changes in administrative organization, procedures, rules and regulations, property and fiscal matters which control the California National Guard. It is imperative that during the present emergency adequate provisions be immediately made concerning the use, operation and control of the state military forces.

CHAPTER 707

An act to amend Section 4748 of, and to add Article 5.6 to Chapter 3, Part 3, Division 5 of, the Health and Safety Code, relating to an alternative method of issuing bonds of county sanitation districts.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4748 of the Health and Safety Code is amended to read:

4748. The district board shall, by resolution, employ one or more sanitation engineers to make a survey of the problems of the district or a portion thereof, as the case may be, concerning sanitation and especially with reference to the matter of sewage collection, treatment, and disposal. The resolution shall direct the engineer or engineers to prepare and file with the district board of the district a report setting forth:

(a) A general description of existing facilities for sewage collection, treatment, and disposal, or a general description of existing facilities for refuse collection, treatment and disposal, or both.

(b) A general description of the work proposed to be done to carry out the objects of the district.

(c) A general plan and general specifications of the work.

(d) A general description of the property proposed to be acquired or damaged in carrying out the work.

(e) A map showing the boundaries of the district and the portion thereof, if such is the case, and in general the location of the work proposed to be done, property taken or damaged, and any other information useful to an understanding of the proposed work.

(f) An estimate of the cost of the proposed work.

SEC. 2. Article 5.6, consisting of Sections 4806, 4807, 4808, 4809, 4809.1, 4809.2 and 4809.3, is added to Chapter 3, Part 3, Division 5 of said code, to read:

Article 5.6. Bonds for Improvement of a Portion
of a District

Alternative
method
of issuing
bonds

4806. As an alternative method of issuing bonds the district board may, after the approval and adoption of an engineer's report for a portion of the district, if it deems it necessary to incur a bonded indebtedness to obtain funds with which to acquire the property and do the work set forth in the report, by resolution so declare and state: (a) the general objects and purposes for which the proposed debt is to be incurred; provided, however, that such general objectives and purposes shall not include the acquisition or construction of new local street sewers or laterals as distinguished from main trunk, interceptor and outfall sewers; (b) the amount of debt to be incurred; (c) that the district board intends to form an improvement district of that portion of the district which in the opinion of said board will be benefited, the exterior boundaries of which portion are set forth on a map on file with said board, which map shall govern for all details as to the extent of the proposed improvement district, and to call an election in such improvement district on a date to be fixed, for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district for said improvement district; (d) that taxes for the payment of said bonds and the interest thereon shall be derived exclusively from an annual tax upon the real property in the improvement district; (e) that the engineer's report, together with a map showing the exterior boundaries of said proposed improvement district with relation to the territory immediately contiguous thereto and to the proposed improvement, are on file with the district board and are available for inspection by any person interested; (f) the time and place for a hearing by the board on the questions of the formation of said proposed improvement district, the extent thereof, the proposed improvement and the amount of debt to be incurred; and (g) that at the time and place specified in the resolution any person interested, including all persons owning property in the district or in the proposed improvement district, will be heard.

Notice of
hearing

4807. Notice of said hearing shall be given by publishing a copy of the resolution at least once each week for two weeks prior to the time fixed for the hearing in a newspaper having general circulation in the county sanitation district. Such notice shall also be given by posting a copy of said resolution in three public places within the proposed improvement district at least two weeks before the time fixed for said hearing.

Hearing

4808. At the time and place so fixed, or at any time and place to which the hearing is adjourned, the district board shall proceed with the hearing. At the hearing any person interested, including any person owning property within the district or within the proposed improvement district, may appear and protest the inclusion of his property within the proposed improvement district and/or present any other matters

material to the questions set forth in the resolution declaring the necessity for incurring the bonded indebtedness.

The district board shall have power to change the purpose for which the proposed debt is to be incurred, or the amount of bonded debt to be incurred, or the boundaries of said proposed improvement district, or one or all of said matters; provided, however, that said board shall not change such boundaries so as to include any territory which will not, in its judgment, be benefited by said improvement; and provided further, that said board shall exclude from the proposed improvement district any territory which it finds will not be benefited by inclusion therein. If the district board proposes to change the purposes for which the proposed debt is to be incurred, it shall cause appropriate changes to be made in the report before giving notice of such change. The purpose, amount of bonded debt and boundaries shall not be changed by said board except after notice of its intention to do so, given by one insertion in a newspaper having general circulation in said county sanitation district, and by posting in three public places within said proposed improvement district. Said notice shall state the changed purpose and debt proposed and that the engineer's report as changed by said board, together with a map showing exterior boundaries as proposed to be changed, are on file with the district board and are available for inspection by any person interested, and specify the time and place for hearing on such change, which time shall be at least 10 days after publication or posting of said notice. At the time and place so fixed, or at any time and place to which the hearing is adjourned, said board shall continue with the hearing. At the hearing any person interested, including any person owning property within the district or the proposed improvement district, may appear and present any matters material to the changes stated in the notice.

At the conclusion of the hearing the board shall by resolution determine whether it is deemed necessary to incur the bonded indebtedness, and, if so, the resolution shall also state the purpose for which said proposed debt is to be incurred (which purpose shall not include the acquisition or construction of new local street sewers or laterals as distinguished from main trunk, interceptor and outfall sewers) the amount of the proposed debt, that the exterior boundaries of the portion of the district which will be benefited are set forth on a map on file with the district board, which map shall govern for all details as to the extent of the improvement district, and that said portion of the district set forth on said map shall thereupon constitute and be known as "Improvement District No. ---- of ---- (name of county sanitation district)," and the determinations made in said resolution shall be final and conclusive. After the formation of such improvement district within a county sanitation district, all proceedings for the purpose of a bond election shall be limited and shall apply only to the improvement district, and taxes for the payment of said

bonds and the interest thereon shall be derived exclusively from an annual tax upon the real property in the improvement district.

Special bond
election

4809. When the board has made its determinations as provided in Section 4808 and if the board deems it necessary to incur the bonded indebtedness, the board shall by resolution call a special election in said improvement district for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district for said improvement district. Said resolution shall state: (a) that the board deems it necessary to incur the bonded indebtedness; (b) the purpose for which the bonded indebtedness will be incurred; (c) the amount of debt to be incurred; (d) the name of the improvement district to be benefited by said indebtedness, as set forth in the resolution making determinations, and that a map showing the exterior boundaries of said improvement district is on file with the district board, which map shall govern for all details as to the extent of the improvement district; (e) that taxes for the payment of such bonds and the interest thereon shall be derived exclusively from an annual tax upon the real property in said improvement district; (f) the maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 40 years; (g) the maximum rate of interest to be paid, which shall not be more than the rate specified in this chapter for bonds of the district, payable at the time specified in this chapter for bonds of the district; (h) the measure to be submitted to the voters; (i) the date of the election; and (j) the election precincts, polling places and election officers.

4809.1. Except as otherwise provided in this article, notice of the election shall be given and the election shall be held and conducted in the same manner as elections for the authorization of bonds of the entire county sanitation district, and if two-thirds of the votes cast are in favor of incurring the bonded indebtedness as proposed, bonds of the district, issued in the name of the district and designated "Bonds of _____ (naming the county sanitation district) for Improvement District No. ____" shall be issued and sold for the amount stated in the resolution calling the election in the same form and manner as bonds of the entire county sanitation district. Each bond of the district for an improvement district and all interest coupons thereof shall state that taxes for the payment thereof shall be derived exclusively from an annual tax upon the real property in the improvement district

Conduct
of election

4809.2. No irregularities or informalities in conducting such election shall invalidate the same, if the election shall have otherwise been fairly conducted. Any action or proceedings, wherein the validity of the formation of the improvement district or of any bonds issued for it or of the proceedings in relation thereto is contested, questioned or denied, shall be commenced within three months from the date of such election; otherwise, said bonds and all proceedings in relation thereto,

including the formation of the improvement district, shall be held to be valid and in every respect legal and incontestable.

4809.3. Bonds issued as bonds of the district for an improvement district therein and the interest thereon shall be paid by revenue derived exclusively from an annual tax upon the real property in the improvement district of such county sanitation district, and all the real property within the improvement district of such county sanitation district shall be and remain liable to be taxed for such payments. The board of supervisors of the county shall annually, at the time and in the manner of levying other county taxes, levy and cause to be collected a tax upon the taxable real property in the improvement district, based upon the last equalized assessment roll of the county sufficient to pay the interest on the bonds for that year and such portion of the principal as is to become due before the time for making the next general tax levy. Said bonds and the interest thereon shall not be taxable in this State.

Payment
of bonds

CHAPTER 708

An act to amend Sections 4852.01, 4852.02, 4852.03, 4852.06, and 4852.13, and to repeal Section 4852.18 of, and to add Section 4852.18 to, the Penal Code, relating to certificates of rehabilitation.

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4852.01 of the Penal Code is amended to read:

4852.01. (a) Any person convicted of a felony who has been released from a state prison or other state penal institution or agency in California, whether discharged on completion of the term for which he was sentenced or released on parole prior to May 13, 1943, who has not been incarcerated in a state prison or other state penal institution or agency since his release and who presents satisfactory evidence of a three-year residence in this State immediately prior to the filing of the petition for a certificate of rehabilitation and pardon provided for by this chapter, may at any time file with the clerk of the county in which he resides a notice of intention to petition for such certificate and pardon, and may at any time after his discharge from custody and termination of his parole file such petition.

Notice of
intention
to apply

(b) Any person convicted of a felony who, on May 13, 1943, was confined in a state prison or other institution or agency to which he was committed and any person convicted of a felony after that date who is committed to a state prison or other institution or agency may file with the clerk of the county in which he resides, at any time after his discharge

from custody or release on parole, a notice of intention to apply for a certificate of rehabilitation and pardon in accordance with the provisions of this chapter.

(c) This chapter shall not apply to persons convicted of misdemeanors; to persons who have served time in county jails only; to persons serving a mandatory life parole; to persons committed under death sentences; or to persons in the military service.

SEC. 2. Section 4852.02 of said code is amended to read:

4852.02. A person who files a notice of intention pursuant to Section 4852.01 of this code shall within 10 days thereafter:

Service of
notice

(a) Serve upon the chief of police of the city in which he resides, or upon the sheriff of the county if he resides in unincorporated territory, a certified copy of the notice of intention filed with the county clerk.

Finger-
prints, etc.

(b) Give to the peace officer his photograph and fingerprints, full information concerning his residence and occupation, and any other information concerning his conduct and manner of living which the peace officer may require.

Supervision
by peace
officer

(c) Agree to submit to the supervision of the peace officer and conform to any reasonable requirements by the peace officer during the period of rehabilitation.

Change of
residence

However, if after the filing and serving of the notice the person filing it changes his residence to another county he shall file with the county clerk of such other county a notice of intention similar in form and substance to that previously filed, which second notice shall state the date and place where the previous notice was filed and the name and title of the peace officer upon whom the same was served. A certified copy of such second notice shall be served upon the chief of police of the city into which he has moved, or upon the sheriff of the county if the changed residence is in unincorporated territory, and the person filing the notice shall give to such peace officer the information described in this section.

Filing of sec-
ond notice

Upon the filing of such second notice the county clerk shall transmit notice of that fact to the county clerk with whom the previous notice was filed and said last-mentioned county clerk shall transmit the said previous notice to the county clerk with whom the second notice was filed.

Upon request of the county clerk with whom the second notice is filed, the district attorney shall move and the superior court shall order that the county clerk with whom the original notice was filed furnish such material and data in his possession relevant to the case to the county clerk with whom the second notice was filed.

SEC. 3. Section 4852.03 of said code is amended to read:

Period of
rehabili-
tation

4852.03. The period of rehabilitation shall not begin until the notice of intention to apply for a certificate of rehabilitation has been filed. For the purposes of this chapter, such period of rehabilitation shall constitute three years' residence in the county or counties in which such notice or notices are filed, plus a period of time determined by the following rules:

(1) To the three years there shall be added 30 days for each year of the term prescribed by statute as the maximum penalty of imprisonment for the crime of which the petitioner was convicted. When the maximum term includes the fractional part of a year, the period of rehabilitation shall be extended by a proportional part of the 30-day period.

(2) For the purposes of this chapter, crimes with maximum penalties of life imprisonment shall be regarded as carrying a maximum penalty of imprisonment for 50 years.

(3) Where the petitioner is convicted of multiple crimes, the maximum penalty for the purpose of computing the period of rehabilitation shall be determined as follows: (a) If the sentences are made to run concurrently, the greatest maximum penalty prescribed by statute for any of such crimes shall constitute the maximum penalty; (b) if the sentences are made to run consecutively, the sum of the maximum penalties prescribed by statute for all such crimes shall constitute the maximum penalty.

(4) Any person who was discharged after completion of his term or was released on parole before May 13, 1943, is not subject to the periods of rehabilitation set forth in these rules.

Unless and until the period of rehabilitation, as stipulated herein, has passed, the petitioner shall be ineligible to file his petition for a certificate of rehabilitation with the court. Any certificate of rehabilitation which is issued and under which the petitioner has not fulfilled the requirements of this chapter shall be void.

A change of residence does not interrupt the period of rehabilitation prescribed by this section if the second notice of intention required by Section 4852.02 of this code is filed.

SEC. 4. Section 4852.06 of said code is amended to read:

4852.06. Except as provided in subdivision (a) of Section 4852.01, after the expiration of the minimum period of rehabilitation applicable to him (and, in the case of persons released upon parole, after the termination of parole), each person who has filed a notice of intention pursuant to Section 4852.01 and has complied with the requirements of Sections 4852.02 and 4852.05 may file in the superior court of the county in which he then resides a petition for ascertainment and declaration of the fact of his rehabilitation and of matters incident thereto, and for a certificate of rehabilitation under this chapter. No such petition shall be filed until and unless the petitioner has continuously resided in this State, after leaving prison, for a period of not less than three years immediately preceding the date of filing the petition and until and unless the same period has elapsed since the service of the original notice as required by Section 4852.02 upon the appropriate peace officer in the county in which the petition is filed.

Petition for
declaration
of rehabilita-
tion

SEC. 5. Section 4852.13 of said code is amended to read:

4852.13. If, after hearing, the court finds that the petitioner has demonstrated by his course of conduct his rehabili-

Order

tation and his fitness to exercise all of the civil and political rights of citizenship, the court shall make an order declaring that the petitioner has been rehabilitated, and recommending that the Governor grant a full pardon to the petitioner. Such order shall be filed with the clerk of the court, and shall be known as a certificate of rehabilitation. The certificate shall show the date on which the original notice of intention to apply for a certificate was filed.

Repeal

SEC. 6. Section 4852.18 of said code is repealed.

Forms

SEC. 7. Section 4852.18 is added to said code, to read:

4852.18. The Adult Authority shall furnish to the county clerk of each county a set of sample forms for a notice of intention to apply for certificate of rehabilitation and pardon, a notice of intention to apply for certificate of rehabilitation and pardon where there has been a change of address to another county, a notice of filing of previous notice for certificate of rehabilitation (required of the county clerk by Section 4852.02 of this code), a petition for certificate of rehabilitation and pardon, a notice of filing of petition for certificate of rehabilitation and pardon, and a certificate of rehabilitation. The county clerk shall have a sufficient number of these forms printed to meet the needs of the people of his county, and he shall make these forms available at no charge to persons requesting them.

CHAPTER 709

An act to amend Sections 28716 and 28720 of, and to add Section 28726 to, the Health and Safety Code, relating to the Frozen Food Locker Plant Act of 1951.

In effect
September
7, 1955

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 28716 of the Health and Safety Code is amended to read:

28716. Every operator of a frozen food locker plant, shall keep a record showing names and addresses of renters of lockers and such records shall be available for examination by the Director of the Department of Agriculture or his representatives, or the State Department of Public Health or its representatives, during business hours of such plants

SEC. 2. Section 28720 of said code is amended to read:

28720. Cold storage or refrigerating warehouses subject to Chapter 5 of this division shall be exempt from the licensing provisions of this chapter.

SEC. 3. Section 28726 is added to said code, to read:

28726. Any person who violates any of the provisions of this chapter is guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than twenty-five dollars (\$25) nor more than five hundred dollars (\$500), or by im-

prisonment in the county jail for a term not exceeding six months, or by both such fine and imprisonment.

CHAPTER 710

An act to add Section 219.2 to the Penal Code, relating to throwing or shooting at trains, streetcars, or vessels.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 219.2 is added to the Penal Code, to read:

219.2. Every person who wilfully throws, hurls, or projects a stone or other hard substance, or shoots a missile, at a train, locomotive, railway car, caboose, cable railway car, street railway car, or bus or at a steam vessel or watercraft used for carrying passengers or freight on any of the waters within or bordering on this State, is punishable by imprisonment in the county jail not exceeding one year, or in a state prison not exceeding three years, or by fine not less than fifty dollars (\$50) nor more than five hundred dollars (\$500), or by both such fine and imprisonment.

CHAPTER 711

An act to amend Sections 812.4, 812.7, 814, 828.55, 828.6, 829.3, 829.35 and 829.4 and to repeal Sections 812.4a, 812.6, 814.1 and 828.7a of the Agricultural Code, relating to vegetables.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 812.4 of the Agricultural Code is amended to read:

812.4. Bunched carrots and carrots with tops removed, whether in consumer packages or not, when in closed wooden, fiber-board or wire-bound containers shall be packed in standard containers numbers 45A, 45J, 45K, 45L, 45M, 45N, 45O, or 45P. Carrots Containers

SEC. 2. Section 812.4a and 812.6 of said code are repealed. Repeal

SEC. 3. Section 812.7 of said code is amended to read:

812.7. All closed containers of bunched carrots and carrots with tops removed shall bear upon them in plain sight and in plain letters and numbers on one outside end the following: Markings

(a) The name of the person who first packed or authorized the packing or the name under which such person is engaged

in business and an address sufficiently explicit to permit ready location of such person.

(b) In the case of bunched carrots or carrots with tops removed and placed in consumer packages, the exact number of dozens of bunches or consumer packages in the container in letters and figures at least one inch in height followed by the term "doz." or "dozen."

SEC. 4. Section 814 of said code is amended to read:

Head lettuce

814. Head lettuce shall not be leafy without head formation and shall be free from insect injury, slime, decay or rot affecting leaves within the head, and free from seed stems which have so developed that they are apparent upon external examination; and free from serious damage caused by bursting, tip burn or freezing. Damage caused by bursting is not serious unless the head is burst open or is materially misshapen from this cause. Damage caused by freezing or tip burn is not serious unless it affects any portion of the head inside of the six outer head leaves.

Tolerance

Not more than 15 percent, by count, of the heads of lettuce in any one container or bulk lot may be below these requirements, but not to exceed 5 percent, shall be allowed for decay or slime.

Size

Head lettuce, when packed or placed in layers in any container, shall not vary in size in any one container more than 15 percent of heads which would fairly tightly pack a size, larger or smaller, than the size marked, and they shall be fairly tightly packed. Head lettuce for shipment out of this State shall be packed in standard containers which are lidded. Head lettuce for shipment only within this State need not be packed or in standard containers if in containers which are not closed, but if in containers which are lidded such lettuce must be packed and in standard containers.

In addition to other packing requirements in this chapter head lettuce, when packed or placed in layers, shall contain either one and one-half dozen, two dozen, two and one-half dozen, three dozen, three and one-half dozen, four dozen, five dozen, 75 or 90 heads of lettuce per standard container.

Container markings

All containers of packed lettuce shall bear upon them in plain sight and in plain letters on one outside end, the name of the person who first packed or authorized the packing of the lettuce, or the name under which such packer is engaged in business, together with a sufficiently explicit address to permit ready location of such packer, and in figures not less than one-half inch in height the exact number of heads contained therein; provided, that in the case of lettuce packed in lidded or closed containers without ice the exact number of heads may be marked on the lid of the container; and provided further, that in the case of 10 percent of the crates in any lots the contents may vary not more than three heads over the count as marked.

All head lettuce, when packed, shall be in standard containers numbers 45, 45A, 45B, 45C, 45D, 45E, 45F, 45G, 45H, or 45I.

SEC. 5. Section 814.1 of said code is repealed.

SEC. 6. Section 828.55 of said code is amended to read:

Repeal
Cantaloupe
crates and
flats

39	Standard cantaloupe crate-----	12	12	$21\frac{7}{8}$	or
				$22\frac{1}{8}$	
40	Pony cantaloupe crate-----	11	11	$21\frac{7}{8}$	or
				$22\frac{1}{8}$	
41	Jumbo cantaloupe crate-----	13	13	$21\frac{7}{8}$	or
				$22\frac{1}{8}$	
42	Standard cantaloupe flat-----	4	12	$21\frac{7}{8}$	or
				$22\frac{1}{8}$	
43	Special cantaloupe flat-----	$4\frac{1}{2}$	$13\frac{1}{2}$	$21\frac{7}{8}$	or
				$22\frac{1}{8}$	
44	Special cantaloupe flat-----	5	$14\frac{1}{2}$	$21\frac{7}{8}$	or
				$22\frac{1}{8}$	
44A	Special cantaloupe crate-----	$12\frac{1}{2}$	$14\frac{1}{2}$	$21\frac{3}{4}$	

SEC. 7. Section 828.6 of said code is amended to read:

Lettuce and
carrot crates

45	Lettuce crate	9	13	$21\frac{5}{8}$	
45A	Standard crate	$14\frac{1}{4}$	$18\frac{1}{4}$	$20\frac{1}{2}$	
45B	Lettuce crate	$9\frac{1}{2}$	$13\frac{1}{2}$	$20\frac{1}{2}$	
45C	Lettuce crate	9	$14\frac{1}{4}$	$21\frac{5}{8}$	or
				$21\frac{1}{2}$	or
				$22\frac{9}{8}$	
45D	Lettuce crate	10	$14\frac{1}{4}$	$21\frac{5}{8}$	or
				$21\frac{1}{2}$	
45E	Lettuce crate	$10\frac{1}{2}$	15	17	
45F	Lettuce crate	$10\frac{1}{2}$	$13\frac{1}{2}$	$20\frac{1}{2}$	
45G	Lettuce crate	$14\frac{1}{4}$	$18\frac{1}{4}$	$21\frac{3}{4}$	
45H	Lettuce crate	10	$14\frac{1}{4}$	$20\frac{3}{4}$	
45I	Lettuce crate	$15\frac{1}{2}$	18	21	
45J	Carrot crate	$9\frac{3}{4}$	$14\frac{1}{4}$	$20\frac{1}{4}$	
45K	Carrot crate	9	$14\frac{1}{4}$	$21\frac{1}{2}$	
45L	Carrot crate	10	$14\frac{1}{4}$	$21\frac{1}{2}$	
45M	Carrot crate	$9\frac{3}{4}$	9	$17\frac{1}{2}$	
45N	Carrot crate	7	$13\frac{1}{2}$	$15\frac{1}{2}$	
45O	Carrot crate	$6\frac{1}{4}$	12	$19\frac{1}{4}$	
45P	Carrot crate	$14\frac{1}{4}$	$18\frac{1}{4}$	$21\frac{3}{4}$	

SEC. 8. Section 828.7a of said code is repealed.

Repeal

SEC. 9. Section 829.3 of said code is amended to read:

829.3. 13. Cantaloupes, numbers 39, 40, 41, 42, 43, 44, or
44A. The following counts of cantaloupes when packed, are
hereby established as standard packs for the respective stand-
ard containers as follows:

Standard
packs and
containers

Standard pack counts	Container number	Standard container name
27, 36, or 45-----	39	Standard cantaloupe crate.
45 or 54-----	40	Pony cantaloupe crate.
18, 23, 27, 36, 41, or 45--	41	Jumbo cantaloupe crate.
9, 12, or 15-----	42	Standard cantaloupe flat.
9, 12, or 15-----	43	Special cantaloupe flat.
8, 9, 11, or 12-----	44	Special cantaloupe flat.

SEC. 10. Section 829.35 of said code is amended to read:

829.35. 14. Carrots, numbers 45A, 45J, 45K, 45L, 45M, 45N, 45O and 45P. 15. Cauliflower, number 46.

SEC. 11. Section 829.4 of said code is amended to read:

829.4. 16. Lettuce, numbers 45, 45A, 45B, 45C, 45D, 45E, 45F 45G, 45H and 45I.

CHAPTER 712

An act to amend Section 5439 of the Public Resources Code, relating to Public recreation districts.

In effect
September
7 1955

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 5439 of the Public Resources Code is amended to read:

5439. The trustees may erect one or more dams across a stream or river for the purpose of constructing a swimming pool in the district, may maintain, improve, and keep in a sanitary condition all community parks, community beaches, community recreational grounds, and community buildings within such districts, including the construction, maintenance, and operation of swimming pools and any other recreation facilities, and any other amusement facilities on any of such lands and may also contract for a system of improvements or works for sewage disposal, and drainage, garbage disposal, fire protection, roads, bridges, road repair, bridge repair, trails, lights and playgrounds, and may lease or rent lands or property for recreational purposes, and they may make proper regulations for the management and operation of the district, including regulations binding upon all persons, with the object of effectuating the purposes of the district and, also, in connection with the use of the facilities of the district.

The trustees may expend funds of the district for advertising in connection with the recreation and amusement facilities of the district in such amounts as they deem necessary to carry out the purposes of the district.

The trustees shall have the right and power to acquire by condemnation, gift, purchase or otherwise all lands, or use thereof or interest therein, and any other property or rights

by them deemed necessary for the construction, maintenance, improvement and operation of the works, or the carrying out of the projects of the district, and may assume and discharge the existing indebtedness on such lands, or interest therein or other property rights so acquired. In case of condemnation proceedings the board shall proceed in the name of the district under the provisions of Section 14 of Article I, as amended, of the Constitution of the State of California, and Title 7, Part 3, of the Code of Civil Procedure of California, and all pleadings, proceedings and process in said title provided shall be applicable to the condemnation proceeding hereunder.

CHAPTER 713

An act to amend Section 9906 of the Government Code, relating to regulation of legislative advocates, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 9906 of the Government Code is amended to read:

9906. (a) Any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence the passage or defeat of any legislation by the Legislature of the State of California or the approval or veto of any legislation by the Governor of the State of California shall, before doing anything in furtherance of such object, register with the Clerk of the Assembly and the Secretary of the Senate and shall give to those officers in writing and under oath, his name and business address, the name and address of the person by whom he is employed, and in whose interest he appears or works, the duration of such employment, how much he is paid and is to receive, by whom he is paid or is to be paid, how much he is to be paid for expenses, and what expenses are to be included. He shall also, at the time of registering, submit to the clerk and the secretary a written authorization from each person by whom he is employed to act in furtherance of such object. Such person shall again register at each succeeding general session of the Legislature and again submit at that time the information and authorization required by this subdivision (a), unless he at that time is no longer engaged for pay or other consideration for the purposes hereinabove specified.

Registration

Information

(b) Each such person so registering shall, between the first and fifteenth day of each calendar month, so long as his activity continues, file with the clerk and secretary a detailed report under oath of all money received and each expenditure of twenty-five dollars (\$25) or more during the preceding calendar month in carrying on his work; to whom paid; for what

Reports of
receipts
and expendi-
tures, etc

Exception :

purposes; the total of all expenditures during the preceding calendar month; and the names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials; and the proposed legislation he is employed to support or oppose. The provisions of this section shall not apply to any person who merely appears before a committee of the Legislature of the State of California in support of or opposition to legislation; nor to any public official acting in his official capacity; nor in the case of any newspaper or other regularly published periodical (including any individual who owns, publishes, or is employed by any such newspaper or periodical) which in the ordinary course of business publishes news items, editorials, or other comments, or paid advertisements, which directly or indirectly urge the passage or defeat of legislation, if such newspaper, periodical, or individual, engages in no further or other activities in connection with the passage or defeat of such legislation, other than to appear before a committee of the Legislature of the State of California in support of or in opposition to such legislation; nor to a person when representing a bona fide church solely for the purpose of protecting the public right to practice the doctrines of such church.

Printing of
information
in Journals
of Senate
and Assembly

(c) All information required to be filed under the provisions of this section with the Clerk of the Assembly and the Secretary of the Senate and not previously published shall be compiled by said clerk and secretary, acting jointly, as soon as practicable after the close of the calendar month with respect to which such information is filed and shall be printed in the Journal of the Assembly within the week immediately preceding the constitutional recess, or within the week immediately preceding final adjournment, at each general session, or within the week immediately preceding final adjournment at each Budget Session, whichever is the earliest date after such filing.

Prior
registration

SEC. 2. Any person required, by subdivision (a) of Section 9906, as amended by this act, to register and submit information and authorization, who has registered and submitted such information and authorization at a previous session and has not done so at this 1955 General Session, shall register and submit said information and authorization not later than May 1, 1955.

Urgency

SEC. 3. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Under existing law persons required to register under Section 9906 are not required to reregister at succeeding legislative sessions or to give notice that they no longer engage in influencing legislation. The result is that there is no way of purging the files and records, which continue to accumulate at such a rate that the expense of printing them as required by law is pro-

hibitive, and the value of such publication is materially reduced. Further, the costs incurred in numerous printings of such information in the Journals of both houses are so disproportionate to any benefit obtained therefrom as to constitute an unjustified expenditure of public funds. In order to prevent the needless expenditure of public funds and to insure that the publication of information on legislative advocates is up to date, accurate and in usable form, it is necessary that this act take effect immediately.

CHAPTER 714

An act to amend Section 18671 of the Education Code, relating to easements granted by school districts.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 18671 of the Education Code is amended to read:

18671. The governing board of any school district may, pursuant to this article, dedicate or convey to the State, or any political subdivision or municipal corporation thereof, for public street or highway purposes, either with or without consideration and without a vote of the electors of the district first being taken, any real property belonging to the district, either in fee or any lesser estate or interest therein, including abutter's right of access to any public street or highway; and may dedicate or convey to any public corporation, or private corporation engaged in the public utility business, without a vote of the electors of the district first being taken, an easement to lay, construct, reconstruct, maintain, and operate water, sewer, gas, or storm drain pipes or ditches, electric or telephone lines, and access roads used in connection therewith, over and upon any land belonging to the school district, upon such terms and conditions as the parties thereto may agree.

CHAPTER 715

An act to amend Section 8821 of the Education Code, relating to admittance qualifications of junior college pupils.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8821 of the Education Code is amended to read:

8821. The principal of any two-year junior college shall admit to the junior college any high school graduate and any

other person over 18 years of age who in his judgment is capable of profiting from the instruction offered. The principal of any two-year junior college may admit to the junior college any apprentice, as defined in Section 3077 of the Labor Code, who in the principal's judgment is capable of profiting from the instruction offered.

CHAPTER 716

An act to amend Section 16145 of the Education Code, relating to student organizations.

In effect
September
7, 1955

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 16145 of the Education Code is amended to read:

16145. In schools or classes for adults or in elementary schools in which the student body is not organized, the governing board may appoint an employee or official to act as trustee for student body funds and to receive said funds in accordance with procedures established by the board. These funds shall be deposited in a bank approved by the board and shall be expended subject to the approval of said appointed employee or official and also subject to such procedure as may be established by the board.

CHAPTER 717

An act to amend Sections 177 and 178 of the Vehicle Code, relating to registration of vehicles.

In effect
September
7, 1955

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 177 of the Vehicle Code is amended to read:

177. Transferor to Notify Department. (a) Whenever the owner of a vehicle registered hereunder sells or transfers his title or interest in, and delivers the possession of, said vehicle to another, said owner shall immediately notify the department of such sale or transfer giving the date thereof, the name and address of such owner and of the transferee and such description of the vehicle as may be required in the appropriate form provided for such purpose by the department.

(b) Every dealer upon transferring by sale, lease or otherwise any vehicle, whether new or used, of a type subject to registration hereunder, shall, not later than the end of the

next business day of the dealer, give written notice of such transfer to the department upon an appropriate form provided by it but a dealer need not give such notice when selling or transferring a new unregistered vehicle to another dealer.

SEC. 2. Section 178 of said code is amended to read:

178. Owner or Dealer Released From Liability for Negligence Upon Transfer. (a) An owner who has made a bona fide sale or transfer of a vehicle and has delivered possession thereof to a purchaser shall not by reason of any of the provisions of this code be deemed the owner of such vehicle so as to be subject to civil liability for the operation of such vehicle thereafter by another when such owner in addition to the foregoing has fulfilled either of the following requirements:

(1) When such owner has made proper endorsement and delivery of the certificate of ownership and delivered the certificate of registration as provided in this code.

(2) When such owner has delivered to the department or has placed in the United States mail, addressed to the department, either a notice as provided in Section 177, within the time prescribed in such section, or appropriate documents for registration of such vehicle pursuant to such sale or transfer.

CHAPTER 718

An act to amend Section 686 of the Vehicle Code, relating to the transportation of workmen by truck or bus.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 686 of the Vehicle Code is amended to read:

686. Trucks and Busses Transporting Workmen to Stop at Grade Crossings. (a) All motor trucks transporting employees in addition to those riding in the cab and all busses transporting employees shall come to a complete stop at all railway grade crossings, except as hereinafter provided. The truck or bus shall be stopped at least 10 feet from the nearest rail and shall not proceed until certain that the right of way is clear.

(b) No stop need be made at a street railway, spur or industrial track within a business or residence district, nor at any tracks where with the approval of the Public Utilities Commission distinctive signs are displayed indicating that no stop need be made unless a train or locomotive is approaching. No stop need be made at a railway grade crossing where a traffic officer is on duty and directs traffic to proceed nor where a stop-and-go signal is in operation and indicates that traffic may proceed.

CHAPTER 719

An act to amend Section 220 of the Vehicle Code, relating to police reports of stolen vehicles and stolen or lost license plates.

In effect
September
7, 1955

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 220 of the Vehicle Code is amended to read:

220. Police Reports of Stolen and Recovered Vehicles and License Plates. Every peace officer upon receiving a report based on reliable information that any vehicle registered hereunder has been stolen or that license plates for any vehicle have been lost or stolen shall, not later than 48 hours after receiving such information, report such theft or loss to the Department of the California Highway Patrol unless prior thereto information has been received of the recovery of such vehicle or plates. Any said officer upon receiving information of the recovery of any vehicle or plates, which he has previously reported as stolen or lost, shall immediately report the fact of such recovery to said department.

CHAPTER 720

An act to amend Section 1427 of the Penal Code, relating to public offenses by corporations.

In effect
September
7, 1955

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1427 of the Penal Code is amended to read:

1427. (a) When a complaint is presented to a judge of an inferior court of the commission of a public offense appearing to be triable in his court, he must, if satisfied therefrom that the offense complained of has been committed and that there is reasonable ground to believe that the defendant has committed it, issue a warrant, for the arrest of the defendant.

(b) Such warrant of arrest and proceedings upon it shall be in conformity to the provisions of this code regarding warrants of arrest, and it may be in the following form:

County of _____

The people of the State of California, to any peace officer in this State:

Complaint upon oath having been this day made before me that the offense of _____ (designating it generally) has been committed and accusing _____ (name of defendant)

thereof you are therefore commanded forthwith to arrest the above named defendant and bring him forthwith before the ----- court of ----- (stating full title of court) at ----- (naming place).

Witness my hand and the seal of said court this ----- day of -----, 19-----.

(Signed).

Judge of said court

If it appears that the offense complained of has been committed by a corporation, no warrant of arrest shall issue, but the judge must issue a summons substantially in the form prescribed in Section 1391. Such summons must be served at the time and in the manner designated in Section 1392. At the time stated in the summons the corporation may appear by counsel and answer the complaint. If it does not appear, a plea of not guilty must be entered, and the same proceedings had therein as in other cases.

CHAPTER 721

An act to amend Section 2503 of the Education Code, and to add Sections 2504, 2505 and 2506 thereto, relating to school district changes of boundaries.

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2503 of the Education Code is amended to read:

2503. When a petition for a change of boundaries is pre-^{Petition} sented, the county superintendent of schools shall examine the petition. If he finds it sufficient and signed as required by law, he shall transmit a copy of the petition to the governing board of each district affected by the proposed change of boundaries. He shall file the petition with the board of supervisors accompanied by his recommendation, which shall include a statement of his belief as to whether the electors residing in the districts which would be affected are substantially divided in opinion with respect to the desirability of such change.

SEC. 2. Section 2504 is added to said code, to read:

2504. The board of supervisors may determine that it will<sup>Determi-
nation
by board of
supervisors</sup> hold a hearing of the petition or it may order that an election be held.

SEC. 3. Section 2505 is added to said code, to read:

2505. In the event the board of supervisors determines^{Hearing} that a hearing of the petition shall be had, the county superintendent of schools shall set the petition for hearing by the

board of supervisors at a regular meeting of the board, but the hearing shall be more than 60 days after receipt of a copy of the petition by the governing board of each district which would be affected by the proposed change of boundaries. The county superintendent of schools shall file with the board a notice containing a general statement of the purpose of the petition, and of the proposed change of boundaries, and the time and place when and where the petition will be heard. The provisions of Article 6 of this chapter shall then be applicable to the proceedings which shall then be taken.

SEC. 4. Section 2506 is added to said code, to read:

Election

2506. In the event the board of supervisors orders that an election be held, the election shall be called, held, and conducted by the county superintendent of schools in the territory proposed to be transferred.

Except as provided in this section, the election shall be called, held, and conducted in as nearly the same manner as is practicable as are elections for governing boards and the county superintendent of schools shall have all the applicable powers and duties with respect to the election which school district governing boards have in elections for such governing boards.

The election shall be called by posting notices in at least three public places in the territory proposed to be transferred at least 30 days before the election. Notices may, in the discretion of the county superintendent of schools, be published once a week for two weeks prior to the election in a newspaper of general circulation in the territory. Notices shall specify the time and place of election and the proposition to be voted on by the electors, shall describe the territory proposed to be transferred, and shall specify the location of the polls, the hours during which the polls will be kept open, and the hour when the returns of the election will be canvassed.

Ballot
contents

The ballots used in the election shall contain substantially the words "Shall the territory in which this election is held be transferred from the ----- school district(s) to the ----- school district?" Opposite such words, in separate lines, the words "yes" and "no" shall be printed, with a voting square opposite each such word.

The costs of the election shall be paid in equal shares out of the funds of the school districts to be affected by the proposed change of boundaries.

Majority
vote

The county superintendent of schools shall certify the results of the election to the board of supervisors. If a majority of the votes cast were in favor of the proposed change of boundaries, the board of supervisors shall, by an order placed on its minutes, order the change of boundaries. A copy of the order shall be recorded as provided in Section 2535. The provisions of Section 2536 shall apply to the effect of the order.

CHAPTER 722

An act to add Section 5008 to the Education Code, relating to bank accounts as clearing accounts for school districts.

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5008 is added to the Education Code, to read:

5008. The governing board of any school district may authorize any school district governed by it to deposit in one or more bank accounts as clearing accounts any miscellaneous receipts received or collected by the school district, and may provide for the withdrawals from such accounts. All moneys in any such bank account shall be paid into the county treasury within the time periods specified pursuant to Section 5002. Cashiers' checks, certified checks, and money placed in the custody of the school district as security that a bidder will execute or faithfully perform a contract, if awarded to him, may be deposited in any such bank account but shall not be paid into the county treasury to the credit of the school district unless forfeited or unless unclaimed by the bidder for a period of 12 months.

Such bank accounts shall not be subject to the deposit of funds provisions of Article 2, Chapter 4, Part 1, Division 2, Title 5 of the Government Code, except to the extent provided by Section 53679 of the Government Code.

CHAPTER 723

An act to add Chapter 18.5 to Division 3 of the Education Code, relating to advance apportionments to junior college districts formed to include high school districts maintaining junior colleges, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Chapter 18.5 is added to Division 3 of the Education Code, to read:

CHAPTER 18.5. APPORTIONMENTS TO NEWLY
FORMED JUNIOR COLLEGE DISTRICTS

7661. Whenever any junior college district is formed which includes a high school district maintaining a separate day junior college, the governing board of the junior college district may apply to the Superintendent of Public Instruction for an apportionment pursuant to this chapter. Junior college districts

Application
for appor-
tionment

7662. The application shall be made in the form and manner prescribed by the Superintendent of Public Instruction not later than the effective date of the formation of the junior college district for all purposes. Each application shall include an estimate of the average daily attendance of pupils in the regular day junior college of the high school district during the fiscal year immediately preceding the effective date of the inclusion of such high school district in the newly formed junior college district signed by the county superintendent of schools having jurisdiction over the junior college district. Such estimate shall be based upon enrollment in the regular day junior college of the high school district included in such junior college district during the current fiscal year and shall be subject to the approval of the Superintendent of Public Instruction.

Apportion-
ment

7663. Not later than 30 days after such application, the Superintendent of Public Instruction shall apportion to each applicant school district from the State General Fund, as an advance against future apportionments from the State School Fund to such district, an amount equal to one-half of the basic state aid to which the district is entitled during the first fiscal year of the existence of such district, based upon the estimated average daily attendance of pupils in the regular day junior college of the high school district during the fiscal year immediately preceding the effective date of the inclusion of such high school district in the newly formed junior college district for all purposes.

Abstract,
certification,
etc.

7664. The Superintendent of Public Instruction shall furnish an abstract of all apportionments made to junior college districts of any county under this chapter to the State Controller, the Department of Finance and to the county auditor, county treasurer and county superintendent of schools of the county and shall certify such apportionments to the State Controller who shall thereupon draw his warrants on the State General Fund in favor of the county treasurer of each county for the amounts apportioned to the junior college districts of the county.

Crediting
of moneys
received

7665. All moneys received by the treasurer of a county under this chapter shall be credited by the treasurer to the general fund of the junior college district of the county exactly as apportioned by the Superintendent of Public Instruction.

State Gen-
eral Fund

7666. During each of the two successive fiscal years commencing with the first fiscal year of the existence of a newly formed junior college district for all purposes the State Controller shall deduct from apportionments made to each such district from the State School Fund under this division one-half of the amount apportioned to such district under this chapter and shall pay the same into the State General Fund.

Urgency

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall

go into immediate effect. The facts constituting such necessity are:

Under the existing law whenever a junior college district is formed it is required to establish and maintain one or more junior colleges the first fiscal year of its existence for all purposes. In order to do so the newly formed district is authorized and required to prepare school district budgets for the ensuing school year, elect and appoint employees and administrative personnel for such year, and exercise other powers and duties vested in governing boards of junior college districts, not inconsistent with other provisions of the Education Code. However, because funds with which to employ administrative personnel are not available to newly formed junior college districts prior to the first fiscal year of the existence of such districts for all purposes, it is exceedingly difficult to secure the necessary services for the preparation of budgets, elect and appoint employees for the ensuing school year and perform other duties required of junior college boards in preparation of the ensuing school year. In order to provide the necessary funds with which to exercise the powers and duties conferred upon governing boards of newly formed junior college districts prior to the date such districts become effective for all purposes, it is necessary that this act take effect immediately.

CHAPTER 724

An act to amend Section 1101 of the Insurance Code, relating to insurance.

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1101 of the Insurance Code is amended to read:

1101. An admitted insurer's officers, directors, trustees and any persons who have authority in the management of the insurer's funds, shall not, unless otherwise provided in this code:

(a) Receive any money or valuable thing for negotiating, procuring, recommending or aiding in, any purchase by or sale to such insurer of any property, or any loan from such insurer.

(b) Be pecuniarily interested as principal, coprincipal, agent, attorney or beneficiary, in any such purchase, sale or loan.

(c) Directly or indirectly purchase, or be interested in the purchase of, any of the assets of the insurer.

This section shall not apply to the purchase or exchange of stock of an admitted insurer by an admitted insurer or between admitted insurers nor to any merger, consolidation or corporate reorganization of such insurers, and shall not apply as to such purchase, merger, exchange, consolidation or reorganization, nor to the officers, directors, trustees or any persons having authority in the management of such insurers

Interests of
officers, etc

Exceptions

funds in respect to any such transaction and no such transaction shall be either void or voidable, if

(1) The transaction is just and reasonable as to the insurers involved at the time it is authorized or approved and if no such officer, director, trustee or other person having authority in the management of such insurers funds receives any money or other valuable thing, other than his usual compensation for his regular duties, for negotiating, procuring, recommending or aiding in such transaction, and, either

(2) Any interest in such transaction on the part of any officers, directors, trustees, or persons who have authority in the management of any such insurer's funds is disclosed or known to its board of directors or committee, authorizing, approving or ratifying the transaction, and noted in the minutes thereof, and the board or committee authorizes, approves or ratifies the transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of any interested officers, directors, trustees, or persons who have authority in the management of the funds of any such insurer, or

(3) The fact of such interest is disclosed or known to the shareholders in the case of a stock insurance company, or in the case of a mutual insurer to the policyholders, and they approve or ratify the transaction in good faith by a vote or written consent of a majority of the shares or policyholders, as the case may be, entitled to vote, unless the consent or vote of more than a majority is otherwise required, in which event the vote or written consent shall be that so otherwise required.

Any such officer, director, trustee, or other person who has such interest may be counted in determining the presence of a quorum at any meeting which authorizes, approves or ratifies such transaction.

The provisions of subdivisions (a), (b), and (c) of this section shall not apply to any transaction relating to a life insurer if the transaction meets the other requirements of this section and such officers, directors, and trustees of the life insurer do not in the aggregate own more than 5 percent of the stock of any corporation with which the life insurer is entering into a transaction.

The amendment made to this section at the 1955 General Session shall not apply to contracts, sales, transfers or other transactions entered into prior to the effective date hereof.

CHAPTER 725

An act to amend Section 226 of the Civil Code, relating to adoptions.

In effect
September
7, 1955

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 226 of the Civil Code is amended to read:

226. Any person desiring to adopt a child may for that purpose petition the superior court of the county in which the petitioner resides and the clerk of the court shall immediately notify the State Department of Social Welfare at Sacramento in writing of the pendency of the action and of any subsequent action taken. In all cases in which consent is required, except in the case of an adoption by a stepparent where one natural or adoptive parent retains his or her custody and control of the child, unless an agency licensed by the State Department of Social Welfare to find homes for children and place children in homes for adoption joins in the petition for adoption, the consent of the natural parent or parents to the adoption by the petitioners must be signed in the presence of an agent of the State Department of Social Welfare or of a licensed county adoption agency on a form prescribed by such department and filed with the clerk of the superior court, in the county of the petitioner's residence.

Petition

Consent of
natural
parents

Such consent, when reciting that the person giving it is entitled to the sole custody of the minor child, shall, when duly acknowledged before such agent, be prima facie evidence of the right of the person making it to the sole custody of the child and such person's sole right to consent.

In all cases of adoption in which no agency licensed to place children for adoption is a party, except in the case of an adoption by a stepparent where one natural or adoptive parent retains his or her custody and control of the said child, it shall be the duty of the Department of Social Welfare or of the licensed county adoption agency to accept the consent of the natural parents to the adoption of the child by the petitioners and to ascertain whether the child is a proper subject for adoption and whether the proposed home is suitable for the child, prior to filing report with the court.

In all cases in which the consent of the natural parent or parents is not necessary and an agency licensed to place children for adoption is not a party to the petition, the State Department of Social Welfare or the licensed county adoption agency shall, prior to the hearing of the petition, file its consent to the adoption with the clerk of the superior court of the county in which the petition is filed. Such consent shall not be given by the Department of Social Welfare or the licensed county adoption agency unless the child's welfare will be promoted by the adoption.

Except in the case of the adoption of a child by a stepparent where one natural or adoptive parent retains his or her custody and control of the child, it shall be the duty of the Department of Social Welfare or of the licensed county adoption agency to submit to the court a full report of the facts disclosed by its inquiry with a recommendation regarding the granting of the petition within 180 days after the filing of the petition; provided, however, that the court may allow such additional time for the filing of said report as in

Report by
Department
of Social
Welfare or
county
agency

its discretion it may see fit, after at least five days' notice to the petitioner or petitioners and opportunity for such petitioner or petitioners to be heard with respect to the request for additional time. The report required of the Department of Social Welfare or of the licensed county adoption agency may be waived by the department in all cases in which an agency, licensed by the Department of Social Welfare to place children in homes for adoption, is a party or joins in the petition for adoption. Such waiver may be issued by the department at any time, either before or after the filing of the petition for adoption.

Whenever any report or findings are submitted to the court by the Department of Social Welfare or by a licensed county adoption agency under any provision of this section, a copy of such report or findings, whether favorable or unfavorable, shall be given to the attorney for the petitioner in the proceedings, if the petitioner has an attorney of record, or to the petitioner.

Unfavorable
findings

If the findings of the State Department of Social Welfare or the county adoption agency are that the home of the petitioners is not suitable for the child and it recommends that the petition be denied, the county clerk upon receipt of the report of the State Department of Social Welfare or the county adoption agency shall immediately refer it to the superior court for review.

Stepparent
adoptions
Consent of
natural
parents

In case of an adoption of a child by a stepparent where one natural or adoptive parent retains his or her custody and control of said child, the consent of either or both parents must be signed in the presence of a county clerk or probation officer of any county of this State on a form prescribed by the State Department of Social Welfare and the county clerk or probation officer before whom such consent is signed shall immediately file said consent with the clerk of the superior court of the county where the petition is filed and said clerk shall immediately file a certified copy of such consent to adoption with the State Department of Social Welfare.

Consent
where
parents
outside State

If the father or mother of a child to be adopted is outside the State of California at the time of signing consent, his or her consent may be signed before a notary or other person authorized to perform notarial acts, and in such case the consent of the Department of Social Welfare or of a licensed county adoption agency will also be necessary, but such consent shall not be necessary where the adoption is by a stepparent and one natural parent retains custody and control of the child.

Consent by
minor parent
not revocable

A parent who is a minor shall have the right to sign a consent for the adoption of his or her child and such consent shall not be subject to revocation by reason of such minority.

Appeal from
refusal of
department
or agency
to accept or
give consent

If for a period of 180 days from the date of filing the petition, or upon the expiration of any extension of said period granted by the court, the Department of Social Welfare or the licensed county adoption agency fails or refuses to accept the

consent of the natural parent or parents to the adoption, or if said department or agency fails or refuses to file or to give its consent to an adoption in those cases where its consent is required by this chapter, either the natural parent or parents or the petitioner may appeal from such failure or refusal to the superior court of the county in which the petition is filed, in which event the clerk shall immediately notify the Department of Social Welfare of such appeal and the department or agency shall within 10 days file a report of its findings and the reasons for its failure or refusal to consent to the adoption or to accept the consent of the natural parent. After the filing of said findings, the court may, if it deems that the welfare of the child will be promoted by said adoption, allow the signing of the consent by the natural parent or parents in open court, or if the appeal be from the refusal of said department or agency to consent thereto, grant the petition without such consent.

CHAPTER 726

An act to amend Sections 13091.1 and 13093 of, and to add Section 13680 to, the Education Code, relating to certificated employees of high school districts included in newly formed junior college districts, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 24, 1955. Filed with Secretary of State May 25, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 13091.1 of the Education Code is amended to read:

13091.1. A permanent employee of a high school district who was classified as such while serving in a junior college maintained by the high school district shall, if the high school district is included in a junior college district, be classified as a permanent employee of the junior college district if employed by the junior college district in a position requiring certification qualifications.

Junior college district.
Permanent high school district employee

SEC. 2. Section 13093 of said code is amended to read:

13093. The division, uniting, unionization, unification, or consolidation of any school district or districts, or any change in school district boundaries or organization, shall not affect the classification of certificated employees already employed by any school district affected. Such employees shall have the same status with respect to their classification by the district, including time served as probationary employees of the district after the division, uniting, unionization, unification, or consolidation, or change in school district boundaries or organization as they had prior thereto. If such division, uniting, unionization, unification, or consolidation, or change in school district boundaries or organization results in the school or other place in

Change in organization of district

which any such employee is employed being maintained by another district, any such employee, if a permanent employee of the district which formerly maintained such school or other place of employment, shall be employed as a permanent employee of the district which thereafter maintains the school or other place of employment, unless such employee elects to continue in the employ of the first district. If such employee is a probationary employee of the district which formerly maintained such school or other place of employment, he may be employed by the district which thereafter maintains the school or other place of employment, and, if so employed, his status with respect to classification by such district shall be the same as it would have been had the school or other place of employment continued to be maintained by the district which formerly maintained it.

As used in the preceding paragraph of this section "any change in school district boundaries or organization" includes, but is not limited to, the formation of a junior college district which includes a high school district maintaining a junior college.

In case the unionization, unification, uniting, or consolidation of two or more school districts results in a district in which, under the provisions of this code then in effect, the certificated employees are entitled to probationary or permanent classification, the employees of the union, unified, or consolidated district, or of the school district formed by uniting two or more school districts shall be given such classification on the same basis as certificated employees in other districts of like average daily attendance.

SEC. 3. Section 13680 is added to said code, to read:

Sick leave
rights, etc

13680. Whenever any permanent or probationary employee of a high school district is employed by a junior college district pursuant to Section 13091.1 or 13093 such employee shall be entitled to retain all sickness and injury, sabbatical and other leave rights accumulated by service prior to such employment and the district shall recognize and grant such rights, including any accumulated rights allowed by the governing board of the high school district, as fully as if there was no change in the district maintaining the junior college.

Urgency

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Section 13093 of Education Code provides in effect that the division, uniting, or consolidation of school districts, or any change in district boundaries or "organization" shall not affect the classification of certificated employees already employed by any district affected. It is not clear, however, whether this section is applicable in those instances in which a new junior college district is formed to include a high school district maintaining a junior college. In order that the gov-

erning boards of newly formed junior college districts may know the status of certificated employees of high school districts who were classified as probationary or permanent employees while serving in the junior college of such district at the earliest possible moment, it is essential that this act take effect immediately.

CHAPTER 727

An act to repeal Section 15709 of the Public Utilities Code, relating to public utility districts.

[Approved by Governor May 24, 1955. Filed with Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 15709 of the Public Utilities Code is repealed.

CHAPTER 728

An act to amend Sections 232, 411, 450, 452, 456, 457, and 458 of the Military and Veterans Code, relating to the State Militia, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 24, 1955. Filed with Secretary of State May 25, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 232 of the Military and Veterans Code is amended to read:

232. The commission of an officer shall be vacated by death, by acceptance by proper authority of resignation, by discharge on account of inefficiency, for physical disqualifications, when dropped from the rolls for an absence without leave for three months, by permanent change of residence to a place outside this State, by discharge to accept a commission in the United States Army, United States Air Force, United States Navy, or a reserve component thereof, when transferred to the United States Army Reserve upon the expiration of six months as a member of the Inactive National Guard, upon a finding by the Adjutant General that the officer is a security risk as a result of subversive activity, personal traits of character, or otherwise, upon reversion to reserve officer of the Army or Air Force status after termination of federal recognition, or by dismissal pursuant to sentence of a general court-martial.

Vacation of
commission

SEC. 2.5. Section 411 of said code is amended to read:

411. The board of supervisors of any county or the legislative body of any city may appropriate money from the general fund of such county or city for the use, benefit, or assistance

County
assistance

of the National Guard or Naval Militia or for National Guard or Naval Militia purposes within such county or city only.

SEC. 2. Section 450 of said code is amended to read:

Military
courts

450. The military courts of this State are: (a) general courts-martial; (b) special courts-martial; (c) summary courts-martial; and (d) courts of inquiry.

Under such regulations as the Adjutant General may prescribe, any commanding officer may, for minor offenses, impose one of the following disciplinary punishments upon persons of his command without the intervention of a court-martial, unless the accused demands trial by court-martial:

(1) Upon officers and warrant officers of his command (a) admonition, reprimand, (b) withholding of privileges not exceeding two consecutive weeks, (c) if imposed by the commanding officer of a division, wing, separate or provisional brigade or equivalent command, forfeiture of not to exceed one-half of his pay per month for a period not exceeding one month, (d) restriction to certain specified limits, with or without suspension from duty, for a period not to exceed two consecutive weeks.

(2) Upon other military personnel of his command (a) admonition, reprimand, (b) withholding of privileges for a period not to exceed two consecutive weeks, (c) extra duties for a period not to exceed two consecutive weeks, and not to exceed two hours per day, holidays included; restriction to certain specified limits, with or without suspension from duty, for a period not to exceed two consecutive weeks; reduction to next inferior grade if the grade from which demoted was established by the command or an equivalent or lower command.

SEC. 3. Section 452 of said code is amended to read:

General
courts-
martial

452. General courts-martial may be convened by the President of the United States or the Governor or the Adjutant General. The convening authority shall be the approving, reviewing and confirming authority. After authentication the record will be sent by the trial counsel to the reviewing authority for proper action and will thereafter be filed in the Office of the Adjutant General.

SEC. 4. Section 456 of said code is amended to read:

Powers of
general
courts-
martial

456. General courts-martial have power:

(a) To try:

(1) Commissioned officers, warrant officers, and enlisted men of the National Guard.

(2) Commissioned officers, warrant officers, and enlisted men of the unorganized militia whenever they are called out for service of the State.

(b) To adjudge:

(1) Dismissal, in the case of a commissioned or warrant officer.

(2) Dishonorable discharge, in the case of an enlisted man.

(3) Bad-conduct discharge, in the case of an enlisted man.

(4) Reduction to the ranks, in the case of enlisted personnel of the fourth enlisted pay grade or below. Reduction to next inferior grade in the case of enlisted personnel above the fourth enlisted pay grade.

(5) Forfeiture of pay and allowances.

(6) Fine not exceeding two hundred dollars (\$200).

(7) Confinement not exceeding 200 days.

(8) Fine and confinement, the total of the number of dollars of fine and number of days of confinement not to exceed 200.

(9) Reprimand.

SEC. 5. Section 457 of said code is amended to read:

457. Special courts-martial have power:

(a) To try:

(1) Officers, warrant officers and enlisted men of the National Guard.

(2) Officers, warrant officers and enlisted men of the unorganized militia whenever they are called out for service with the State.

(b) To adjudge:

(1) Dismissal, in case of a warrant officer.

(2) Dishonorable discharge, in the case of an enlisted man.

(3) Reduction to the ranks, in the case of enlisted personnel of the fourth enlisted pay grade or below. Reduction to next inferior grade in the case of enlisted personnel above the fourth enlisted pay grade.

(4) Forfeiture of pay and allowances.

(5) Fine not exceeding one hundred dollars (\$100).

(6) Confinement not exceeding 100 days.

(7) Fine and confinement, the total of the number of dollars of fine and the number of days of confinement not to exceed 100.

(8) Reprimand.

SEC. 6. Section 458 of said code is amended to read:

458. Summary courts-martial have power:

(a) To try:

(1) Enlisted men of the National Guard, except that non-commissioned officers shall not, if they object thereto, be brought to trial before a summary court-martial without the authority of the officer competent to bring them to trial before a special court-martial.

(2) Enlisted men of the unorganized militia whenever they are called out for service with the State, except that non-commissioned officers shall not, if they object thereto, be brought to trial before a summary court-martial without the authority of the officer competent to bring them to trial before a special court-martial.

(b) To adjudge:

(1) Reduction to the ranks in the case of enlisted personnel of the fourth enlisted pay grade or below. Reduction to next inferior grade in the case of enlisted personnel above the fourth enlisted pay grade.

(2) Forfeiture of pay and allowances.

Powers of
summary
courts-
martial

(3) Fine not exceeding twenty-five dollars (\$25).

(4) Confinement not exceeding 25 days.

(5) Fine and confinement, the total of the number of dollars of fine and number of days of confinement not to exceed 25.

Urgency

SEC. 8. This act is hereby declared to be an urgency measure for the immediate preservation of public peace, health and safety within the meaning of Section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

The proper functioning of the California National Guard is an important and integral part of the defense preparations of the State. The international situation requires immediate changes in administrative organization, procedures, rules and regulations, property and fiscal matters which control the California National Guard. It is imperative that during the present emergency adequate provisions be immediately made concerning the use, operation and control of the state military forces.

CHAPTER 729

An act to add a new chapter to Division 1 of the Financial Code, to be numbered 10a, relating to nondepartmental banking.

In effect
September
7, 1955

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. A new chapter, to be numbered 10a and to be entitled "Nondepartmental Banks," is hereby added to Division 1 of the Financial Code, to read as follows:

CHAPTER 10a. NONDEPARTMENTAL BANKS

Article 1. General

Acceptance
of savings
deposits by
commercial
bank

1300. Notwithstanding the provisions of Chapter 9 of Division 1 of this code, a commercial bank, with the prior authorization of the superintendent, may accept savings deposits, if its articles authorize it to engage in the savings bank business, without complying with the provisions of Chapter 9 of Division 1 of this code. Every such bank shall be governed by all of the provisions of this code applicable to commercial banks except the provisions of Article 2 of Chapter 10, Division 1 and except the provisions of Section 1207 and shall also be governed by the provisions of this chapter. Any commercial bank so authorized is referred to in this division as a nondepartmental bank. For issuing the authorization provided for in this section the superintendent shall charge a fee of fifty dollars (\$50).

1301. Notwithstanding the provisions of Chapter 9 of Division 1 of this code any commercial bank or nondepartmental bank, with the prior authorization of the superintendent, may engage in the trust business, if its articles authorize it to engage in the trust business, without complying with the provisions of Chapter 9; provided, it has paid-up capital and surplus at least equal to that which would be required under Section 380 of a bank commencing to do business in the city in which the head office of such bank is located plus the additional capital required for each branch established by it, and in addition thereto paid-up capital at least equal to that which would be required under Section 382 of a trust company with its head office in the city in which the head office of such bank is located. Any bank so authorized shall, in the conduct of its trust business, comply with and be governed by all of the provisions of Chapter 12, Division 1 of this code except the provisions of Article 2 thereof.

Article 2. Loan Limits

1310. The obligations, as defined in Section 1220, excepting the obligations described in Section 1226 and the obligations described in Section 1311, of any one person owing to a nondepartmental bank at any one time shall not exceed the following limitations:

(a) Obligations which are unsecured shall not exceed 10 percent of the capital and surplus of the bank.

(b) Obligations, secured and unsecured, in all shall not exceed 20 percent of the capital and surplus of the bank.

Obligations arising out of the discount of commercial or business paper actually owned by the person negotiating the same and endorsed by such person without limitation, together with the secured and unsecured obligations, if any, of such person, shall not exceed 40 percent of the capital and surplus of the bank.

No bank upon becoming a nondepartmental bank shall be required, solely by reason of the provisions of this article, to dispose of or reduce any loan which complied with the applicable limitations of this division at the time such bank became a nondepartmental bank, nor shall any such bank be prevented solely by reason of the provisions of this article from renewing any such loan from time to time.

The superintendent at his discretion may permit a nondepartmental bank for a period of not exceeding two years from the effective date of this act to make loans upon the identical terms and conditions as when it was a departmental bank.

1311. In addition to the limitations contained in Section 1310 a nondepartmental bank may issue letters of credit and a nondepartmental bank may accept drafts or bills of exchange drawn upon it having not more than six months' sight to run, exclusive of days of grace, which grow out of transactions involving the importation or exportation of goods; or which

grow out of transactions involving the domestic shipment of goods; provided, shipping documents conveying or securing title are attached at the time of acceptance; or which are secured at the time of acceptance by a warehouse receipt or other such document conveying or securing title covering readily marketable staples. A nondepartmental bank shall not accept such drafts or bills in the aggregate to an amount exceeding 50 percent of its paid-up capital and surplus or, when authorized by the superintendent, to an amount exceeding 100 percent of its paid-up capital and surplus nor accept such drafts or bills for any one person to an amount exceeding 10 percent of its paid-up capital and surplus, unless the bank is and remains secured by either attached documents or some other actual security growing out of the same transaction as the acceptance.

Drafts, bills
of exchange,
etc.

1312. With the approval of the superintendent a nondepartmental bank may accept drafts or bills of exchange drawn upon it having not more than three months' sight to run, exclusive of days of grace, drawn by banks or bankers in foreign countries for the purpose of furnishing dollar exchange as required by the usages of trade in the respective countries; provided, no nondepartmental bank shall accept such drafts or bills of exchange for any one bank to an amount exceeding 10 percent of the capital and surplus of the accepting bank unless the draft or bill of exchange is accompanied by documents conveying or securing title or unless the bank is secured by some other adequate security. A nondepartmental bank shall not accept such drafts or bills, whether secured or unsecured, in the aggregate to an amount exceeding 50 percent of its capital and surplus.

Security

1313. An obligation shall not be deemed secured by personal property or collateral unless the personal property or collateral held as security is of a kind which has not been declared ineligible by the superintendent and unless it has a market value at least 15 percent greater than the amount of the obligations secured thereby. The superintendent by general regulation may declare any particular kinds or classes of personal property ineligible as security. An obligation shall not be deemed secured by real property unless the obligation and the lien securing the same conform to the provisions of Section 1227 or Section 1228. Secured and unsecured loans shall be represented by separate notes and shall not be combined in any way within one note or notes.

First lien

1314. A nondepartmental bank may lend on the security of a first lien on real property if the loan complies with the provisions of Section 1227.

Transactions
with junior
liens, etc

1315. A nondepartmental bank may make the loans described in Section 1415; provided, the loans meet the requirements of that section.

Leasehold
property
security, etc

1316. A nondepartmental bank may make the loans provided for in Sections 1228, 1412 and 1414 of this code subject to the restrictions set forth in each of said sections respectively.

1317. A nondepartmental bank shall not lend in the aggregate an amount in excess of 60 percent of the amount of its savings and other time deposits upon the security of real property, in addition to loans guaranteed in whole or in part by the Administrator of Veterans' Affairs pursuant to the Servicemen's Readjustment Act of 1944 or any act of Congress supplementary or amendatory thereof or under the Veterans' Readjustment Act of 1952 or any act of Congress supplementary or amendatory thereof except that with prior approval of the superintendent such bank may lend an amount up to 75 percent of its savings and other time deposits upon the security of real property in addition to said veterans' loans. Loan limits

1318. A nondepartmental bank shall not lend in the aggregate more than 5 percent of its assets upon the security of the stock of any one corporation or upon the security of the bonds of any one obligor except bonds of the United States or for the payment of which the credit of the United States is pledged, bonds of the State of California or for the payment of which the credit of the State of California is pledged, and bonds of any county, city and county, city, metropolitan water district, school district or irrigation district of the State of California which qualify for investment by savings banks. Same

1319. A nondepartmental bank shall make no loan of the character specified in Section 1231 except under the conditions therein set forth and then only to an amount not in excess of 25 percent of its capital and surplus. Same

1320. A nondepartmental bank shall make no loan of the character specified in Section 1232 except under the conditions therein set forth.

1321. Nothing in this article restricts a nondepartmental bank in taking any lien or pledge of any property as additional security for a loan already made in good faith. Additional security

Article 3. Reserves

1330. Every nondepartmental bank, at all times, shall maintain against its demand deposits, exclusive of deposits of the United States, postal savings funds, and state, county, municipal, and other deposits of public moneys which are secured by law, the reserves required of other commercial banks under Article 3 of Chapter 10, and in addition thereto shall maintain against its savings deposits reserves in the amount and in the manner set forth in Sections 1430 and 1431. Reserve requirements

1331. If any nondepartmental bank is a member of the Federal Reserve Bank it shall comply with the reserve requirements of the Federal Reserve Act and its compliance therewith shall be in lieu of and shall relieve such bank from compliance with the provisions of this article. Federal Reserve Bank members

Article 4. Investments

1335. A nondepartmental bank may purchase for its own account only the investment securities specified in Sections Investment securities

1354 to 1366 inclusive of this code and in addition thereto may invest an amount not exceeding two (2) percent of its deposits, whichever is the lesser, in other securities, except corporation shares, in which in the informed opinion of the bank it is prudent to invest the funds of its depositors.

Limitation
on invest-
ments

1336. A nondepartmental bank shall not invest an amount exceeding 10 percent of its capital and surplus in the securities of any one obligor or maker, except obligations of the United States and those for which the faith and credit of the United States are pledged for the payment of principal and interest and obligations of the State of California and those for which the credit of the State of California are pledged for the payment of principal and interest.

Prior
investments

1337. If any commercial bank has made investments prior to becoming a nondepartmental bank which it was authorized to make at the time they were made it shall not be required to dispose of such investments upon becoming a nondepartmental bank pursuant to this chapter.

Article 5. Miscellaneous

Repayment
of savings
deposits

1340. A nondepartmental bank accepting savings deposits shall provide by its by-laws or by contract with its savings depositors the time and condition on which repayment is to be made to such depositors. In all cases it shall be provided that notice in writing of at least 30 days, at the option of the bank, may be required to be given of intention to withdraw any savings deposit or any part thereof. The bank shall not waive any requirement of notice before payment of any savings deposit except as to all savings deposits.

Whenever there is any call by savings depositors for repayment of a greater amount than the bank may have disposable for that purpose, the bank must not make any new loan or investment until such excess call has ceased.

Construction

1341. For the purposes of Section 1385 of this code and for the purposes of any other law authorizing or providing for the deposit of funds with a savings bank, a nondepartmental bank accepting savings deposits shall be deemed a savings bank.

CHAPTER 730

An act to amend Section 7726 of the Business and Professions Code, relating to funeral directors and embalmers.

In effect
September
7, 1955

[Approved by Governor May 24, 1955 Filed with
Secretary of State May 25, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 7726 of the Business and Professions Code is amended to read:

7726. When a funeral director or embalmer has had his or its license suspended, canceled, or revoked by the board, the board, upon written application by the licensee affected, upon not less than 10 days' notice to all parties of record in the particular case, and after hearing all evidence offered in support of and in opposition to such application, may, in its discretion, and upon such terms as it may deem just, reinstate the applicant; provided, the application, in case of lapse, is accompanied by all fees and penalties, the total of which fees and penalties shall not exceed thirty-five dollars (\$35), from the time of the lapse to the date of reinstatement. On or before December 10th of each year the board shall mail to each licensee and each registrant, addressed to him at his last known address, a notice advising him of the provisions of Section 7725.

CHAPTER 731

An act to amend Section 7725 of the Business and Professions Code, relating to funeral directors and embalmers.

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7725 of the Business and Professions Code is amended to read:

7725. Every licensed funeral director, every licensed embalmer and every registered apprentice, shall pay an annual fee for the renewal of his or its license to the department.

The board shall mail on or before the tenth day of December of each year to each licensed funeral director, each licensed embalmer and each registered apprentice, addressed to him at his last known address a notice that a renewal fee is due and payable.

If a licensee or registrant fails to renew his license or certificate on or before January 31st, it shall expire automatically and may thereafter be renewed only upon application therefor in such form as the board may prescribe and payment of the renewal fee and penalty fee prescribed by this chapter for each year or part thereof since its expiration, except that the total of such fees shall not exceed thirty-five dollars (\$35). In no case may the penalty fee be waived.

If the license or certificate is not renewed within one year following its expiration, the board may require as a condition of renewal that the delinquent licensee pass an examination on the appropriate subjects prescribed by this chapter.

Upon the receipt of the fees, the department shall cause the renewal certificate to be issued.

CHAPTER 732

An act to amend Section 1598 of the Education Code, relating to liability for existing bonded indebtedness of a school district by territory annexed thereto without affirmative action by the residents of such territory, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 24, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1598 of the Education Code is amended to read:

1598. When any school district is united or in any manner merged with one or more school districts so as to form a single district, the district so formed is liable for all the outstanding bonded indebtedness of the districts united or merged; provided, however, if the territory included in a school district which has been lapsed by the board of supervisors and attached to an adjoining district withdraws from said district to which it has been attached through a proceeding involving affirmative action by the residents of such territory within one year from the date of lapsation, such territory shall cease to be liable for any such bonded indebtedness unless such indebtedness was incurred during the period the territory is attached to the adjoining district.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of Section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

In cases where a lapsed school district is attached by the board of supervisors of the county in which it is situated to an adjoining district to which the residents of such lapsed school district do not desire it to become attached and thereafter the residents of such territory take affirmative action to withdraw from such district and to transfer the territory to another adjoining school district it is inequitable that such territory should continue to be liable for the bonded indebtedness of the district to which it was involuntarily attached as the residents thereof would derive no benefit from the school facilities purchased with the proceeds of such bonds. In order to prevent any tax levy on said territory for the payment of interest and for the redemption of such bonds during the succeeding fiscal year it is necessary that this act take effect immediately.

CHAPTER 733

An act to add Section 26464 to the Health and Safety Code, relating to the sale of imported rabbits for food.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26464 is added to Article 1 of Chapter 3 of Division 21 of the Health and Safety Code, to read:

26464. It is unlawful to sell for use as food any dead wild rabbit or canned wild rabbit, imported from outside the United States, which does not indicate on the label of the container the words "wild rabbit" in lettering of not less than one-half the size of the largest printing appearing on the label.

CHAPTER 734

An act to amend Sections 26003 and 26008 of the Corporations Code, relating to corporate securities.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26003 of the Corporations Code is amended to read:

26003. (a) The fee for filing an original or supplemental application for a permit to issue securities (except applications for permits to issue certificates of deposit, any guarantee of any security, or securities evidencing any change in the rights, preferences, privileges, or restrictions on outstanding securities, the fees for which applications are fixed in Sections 26006, 26007, and 26008, respectively) is twenty dollars (\$20), plus the sum of the following:

(1) Fifteen one-hundredths of 1 percent of the amount of any excess of the aggregate value of the securities sought to be issued over one thousand dollars (\$1,000) and not exceeding fifty thousand dollars (\$50,000).

(2) Five one-hundredths of 1 percent of such amount in excess of fifty thousand dollars (\$50,000) and not exceeding one hundred thousand dollars (\$100,000).

(3) Three one-hundredths of 1 percent of such amount in excess of one hundred thousand dollars (\$100,000) and not exceeding five hundred thousand dollars (\$500,000).

(4) One one-hundredth of 1 percent of such amount in excess of five hundred thousand dollars (\$500,000).

(b) For the purpose of determining the fees fixed in subdivision (a):

Permit to
issue
securities -
Filing fees

Determi-
nation

(1) The value of the securities shall be their par or face value unless the consideration for the securities, as alleged in the application or as determined by the commissioner, is in excess of their par or face value, or the securities when issued will have a value, as determined by the commissioner, in excess of their par or face value, in which case the value of the securities shall be the value of the consideration so received or the value as determined by the commissioner, whichever is greater.

(2) Where the securities have no nominal or par value, the value of the securities shall be the price at which the company proposes to sell or issue the securities, or the value, as alleged in the application, or the actual value, as determined by the commissioner, of the consideration (if other than money) to be received in exchange therefor, or of the securities when issued, whichever is greater. However, until a new value has been established, each share of no par value stock shall have a value equal to the value which has been established by previous sales for money or other property of other shares of the same class.

(3) Interim or voting trust certificates shall have a value equal to the aggregate value of the securities to be represented by the interim or voting trust certificates.

(4) Rights, warrants, or other certificates evidencing rights to purchase additional securities shall have a value equal to the difference between the selling price of the securities represented by the rights, warrants, or other certificates and the market value of the securities so represented at the date of filing of application; provided, the market price is higher than the selling price, otherwise the rights, warrants, or other certificates shall be deemed to have no value, and the fee for filing such application is twenty dollars (\$20).

(5) Where an application is made to issue securities containing a provision entitling the holders thereof to convert or exchange them for a different class of securities, the value of the securities to be so issued shall be an amount equal to twice the amount of the consideration to be received for the securities containing the conversion or exchange provision.

(6) In the case of a share dividend or share split the value of the securities to be issued shall be the amount of surplus proposed to be transferred to stated capital and any surplus account.

SEC. 2. Section 26008 of said code is amended to read:

26008. The fee for filing any application for a permit to issue securities evidencing any change in the rights, preferences, privileges, or restrictions on outstanding securities is twenty-five dollars (\$25), except where such issuance will result in an increase in the stated capital in which event the fee shall be in accordance with Section 26003(b)(6).

Fee for
securities
evidencing
change in
rights, etc.,
of outstand-
ing securities

CHAPTER 735

An act to amend Section 9756 of the Education Code, relating to special day and evening classes for adults.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 9756 of the Education Code is amended to read:

9756. Governing boards may expend from the general fund of the district any money which is budgeted for community services to establish and maintain special day or evening classes for adults and may charge student fees not to exceed the cost of maintaining such classes or may provide instruction in such classes for remuneration by contract, or with contributions or donations of individuals or groups.

CHAPTER 736

An act to amend Sections 7041 and 9645 of the Education Code, relating to apportionments for emergency schools maintained by the county superintendent of schools, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 7041 of the Education Code is amended to read:

7041. The Superintendent of Public Instruction shall allow, in addition to all other allowances, to the county school service fund:

County
school
service fund
allowances

(a) For all emergency schools maintained in each elementary school district of the county by the county superintendent of schools during the preceding fiscal year, the same amount as he would compute as the foundation program of an elementary school district under Article 4 of this chapter, except that the provisions of Section 7033 shall not apply. No allowance shall be made under this subdivision which is in excess of the actual expense of maintaining the emergency schools during the preceding fiscal year.

(b) Two hundred eighty dollars (\$280) for each unit of average daily attendance of physically handicapped pupils of secondary grade educated by the county superintendent of schools during the preceding fiscal year.

SEC. 2. Section 9645 of said code is amended to read:

9645. The Superintendent of Public Instruction shall determine the amount of excess expense incurred by each county

"Excess
expense" for
physically
handicapped
pupils

superintendent of schools for the education of physically handicapped pupils. "Excess expense" as used in this section means that amount by which the current expense of education incurred for physically handicapped pupils exceeds the amount to be apportioned under the provisions of Article 5 of Chapter 15 of Division 3 of this code to the county school service fund during the then current year on account of the average daily attendance of all pupils whose attendance is credited to the county school service fund at the level for which the excess expense is to be determined, exclusive of the average daily attendance of pupils in a juvenile hall school maintained by the county superintendent of schools during the preceding fiscal year.

Urgency

SEC. 3. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In certain cases, the allowance of the small elementary school foundation program and the computation of excess cost as the total current expense of education for emergency schools maintained by the county superintendent of schools has resulted in apportionments in excess of actual expenses. In order that apportionments made for emergency schools shall not exceed actual expenses during the 1955-56 Fiscal Year, it is necessary that this act take effect immediately.

Operative
date

SEC. 4. This act shall become operative on July 1, 1955.

CHAPTER 737

An act to amend Section 7012 of the Education Code, relating to pupil transportation, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7012 of the Education Code is amended to read:

7012. (a) "Transportation" as used in this article means, unless the context otherwise requires:

(1) The transportation of pupils between their homes and the regular full-time day schools attended by them as provided by a school district.

(2) The payment of moneys by a school district to parents or guardians of pupils in lieu of providing for the transportation of such pupils between their homes and the regular full-time day schools attended by them.

(3) The providing of board and lodging to pupils by a school district in lieu of providing for the transportation of

such pupils between their homes and the regular full-time day schools attended by them.

(b) "Pupils" as used in this article does not include pupils for whom the Superintendent of Public Instruction determines excess costs under Section 9617.

(c) "Total current expenses of transportation" as used in Sections 7014, 7015, and 7016 does not include current expenses for the transportation of pupils for whose transportation the Superintendent of Public Instruction makes an allowance to the district under Section 7018.1.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect, to become operative July 1, 1955. The facts constituting such necessity are:

For several years the amount available for pupil transportation under the provisions of subsection (c) of Section 5154 of the Education Code has not been of a sufficient amount to make the allowances required by Article 3 of Chapter 15 of Division 3 of the Education Code. Thus, it has been necessary to apply a deficit factor as provided by subsection (a) of Section 7019 of said code. Furthermore, it is anticipated that the deficit for the Fiscal Year 1955-56 will be even larger than in previous years unless the allowances to school districts and the county school service funds for transportation of pupils is limited to allowances for pupils attending regular full-time day schools. In order to alleviate the amount of such anticipated deficit for the Fiscal Year 1955-56, it is necessary that this act take effect immediately.

CHAPTER 738

An act to amend Section 6907 of, and to add Section 7000.5 to the Education Code, relating to school apportionments, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 6907 of the Education Code is amended to read:

6907. If the average daily attendance of pupils residing in territory of a district, hereinafter referred to as the "original district," in the regular day schools of such original district during the fiscal year immediately preceding the effective date of the inclusion of such territory for all purposes in another district of the same type, hereinafter referred to as the "acquiring district," under or pursuant to any provision of law, exceeds 25 units, such average daily attendance shall, for all the purposes of this division, be deemed to have been average daily attendance in the regular day schools of the acquiring district and not average daily attendance in the regular day

Pupils of
"original
district"

schools of the original district, except that if the acquiring district was not in existence for all purposes during said preceding fiscal year, such average daily attendance shall be deemed to have been average daily attendance in the regular day schools of the acquiring district during said preceding fiscal year.

Junior college Credit
for junior
college maintained by
high school district

The average daily attendance of pupils in the regular day junior colleges of an original high school district during the fiscal year immediately preceding the effective date of the inclusion of such high school district in an acquiring junior college district shall, for all the purposes of this division, be deemed to be average daily attendance in regular day junior colleges of the junior college district during said preceding fiscal year and not average daily attendance in the regular day junior colleges of the high school district during said preceding fiscal year.

For the purposes of this section all elementary school districts are districts of the same type, all high school districts are districts of the same type, and all junior college districts are districts of the same type.

Unified
school
district

The inclusion of the whole or a portion of an elementary school district, high school district, or junior college district in a unified school district shall be deemed to be the inclusion of such elementary school district, high school district, or junior college district or portion thereof in the elementary school district, high school district, or junior college district, as the case may be, within the unified school district.

The Superintendent of Public Instruction shall, and is authorized to do so, adopt such rules and regulations as in his judgment are necessary to give effect to this section.

Computations

SEC. 2. Section 7000.5 is added to said code, to read:

7000.5. If any computation made under, or necessitated by, this chapter, including computations of the total amounts allowed under Articles 11.1 and 15 but excluding other computations under those articles, results in an amount which is:

(a) Less than \$1, the amount shall be counted as \$1.

(b) More than \$1 and includes a fraction of one-half dollar or more, the fraction shall be counted as \$1.

(c) More than \$1 and includes a fraction of less than one-half dollar, the fraction shall not be counted.

Operative
date
urgency

SEC. 3. This act shall become operative on July 1, 1955.

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order that funds may be transferred to new districts which become effective July 1, 1955, and in order that the computations of apportionments throughout the year may be made in a uniform manner by rounding off all computations to the nearest dollar, it is necessary that this act take effect immediately.

CHAPTER 739

An act to amend Sections 4964 and 4902.7 of, and to repeal Section 4964.2 of the Education Code, relating to school districts.

[Approved by Governor May 25, 1955. Filed with Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4964 of the Education Code is amended to read:

4964. When all or a portion of the territory of any district is divided between two (2) or more unified school districts or between one or more unified school districts and any other type of district, all funds and obligations of the district shall be divided among the affected school districts in the same proportion as the ratio of the assessed valuation of the territory included in an affected school district bears to the total assessed valuation of the district which is being divided, except as otherwise provided in this section.

Division of
school
property
Funds and
obligations

In making a division of the funds and obligations of a district pursuant to this section, unsecured property taxes levied for the fiscal year commencing on the date when reorganization or unification becomes effective for all purposes but which are due and payable upon the first Monday in March preceding such date shall be distributed to the affected districts in which such taxes are collected as the districts exist on and after the date when the reorganization or unification becomes effective for all purposes.

SEC. 2. Section 4964.2 of said code is repealed.

Repeal

SEC. 3. Section 4902.7 of said code is amended to read:

4902.7. The county committee in the formulation of plans shall provide for the division of the school property, except funds, of a district among two or more unified or otherwise reorganized school districts. In providing for the division, the county committee shall consider the equalized assessed valuation of each portion of the existing district, the number of children of school age residing in each portion of such district, the value and location of the school property of such district, and such other matters as the members of the county committee deem important and pertinent.

Division of
property

CHAPTER 740

An act to amend Section 8815 of the Education Code, relating to junior college classes.

[Approved by Governor May 25, 1955. Filed with Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8815 of the Education Code is amended to read:

8815. Junior colleges or junior college classes maintained in a high school district may be maintained for such period and at such times during the school year as the governing board of the high school district may determine.

CHAPTER 741

An act to amend Section 955.1 of the Civil Code, relating to the assignment of rights to payment.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 955.1 of the Civil Code is amended to read:

955.1. Except as provided in Section 955, and subject to compliance with any applicable statute requiring recording or filing, the transfer of any right to payment, not constituting an account as defined in Section 3017 of this code and not constituting a negotiable instrument, shall be deemed perfected as against third persons upon there being executed and delivered to the transferee an assignment thereof in writing; provided, however, that as between bona fide assignees of the same right for value without notice, the assignee first giving notice thereof to the obligor in writing shall have priority; but such assignment shall not be, of itself, notice to the obligor so as to invalidate any payments made by him to the transferor.

CHAPTER 742

An act to amend Section 441 of the Education Code, relating to the superintendent of schools of a county of the forty-first class.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 441 of the Education Code is amended to read:

441. The annual salary of the county superintendent of schools of a county of the forty-first class is six thousand dollars (\$6,000), and he shall possess a valid elementary or secondary administrative credential issued by the State Board of Education.

CHAPTER 743

An act to amend Section 3352 of the Labor Code, relating to part-time gardeners.

[Approved by Governor May 25, 1955. Filed with Secretary of State May 25, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3352 of the Labor Code is amended to read:

3352. "Employee" excludes:

(a) Any person whose employment is both casual and not in the course of the trade, business, profession, or occupation of his employer.

(b) Any person employed in farm, dairy, agricultural, viticultural or horticultural labor, or in stock or poultry raising where the compensation provisions of this division are rejected, or do not apply, in accordance with Chapter 9 of this part.

(c) Any person engaged in vending, selling, offering for sale, or delivering directly to the public, any newspaper, magazine or periodical where the title thereto has passed to the person so engaged.

(d) Any person performing services in return for aid or sustenance only, received from any religious, charitable, or relief organization.

(e) Any person holding an appointment as deputy clerk, deputy sheriff, or deputy constable appointed for his own convenience and who receives no compensation from the county or municipal corporation or from the citizens thereof for his services as such deputy. This exclusion is operative only as to employment by the county or municipal corporation and does not deprive any person so deputed from recourse against a private person employing him for injury occurring in the course of and arising out of such employment.

(f) Any convict whose labor is used by the State Highway Commission on state highways or roads.

(g) Any person engaged in household domestic service except as provided in Section 3358.5.

(h) Any person performing voluntary services at or for a recreational camp, hut or lodge operated by a nonprofit organization, exempt from federal income tax under Section 101 (6) of the Internal Revenue Code, of which he or a member of his family is a member and who receives no compensation for such services other than meals, lodging or transportation.

(i) Any person engaged as a part-time gardener in connection with a private dwelling; provided, the number of hours devoted to such work for any individual does not regularly exceed 44 hours per month. This exclusion is operative only as to his employment by the owner or occupant of such a pri-

vate dwelling, and does not deprive any such part-time gardener from recourse under this division against any other person employing him for injuries occurring in the course of and arising out of the employment.

CHAPTER 744

An act to repeal Sections 302, 303, 304, 306, 310, 316.5, 322, and 375 of, to amend Sections 301, 305, 308, 309, 311, 312, 313, 315, 316, 317, 320, 1942, 1943, 3181 and 4191 of, to add Sections 304, 306, and 316.1 to, the Education Code, relating to the powers, duties and authority of county boards of education.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 25, 1955.]

The people of the State of California do enact as follows:

Repeal

SECTION 1. Sections 302, 303, 304, 306, 310, 316.5, 322, and 375 of the Education Code are hereby repealed.

SEC. 2. Section 301 of said code is amended to read:

County
board of
education

301. Except in a city and county, there shall be a county board of education, which shall consist of five or seven members to be elected at large with at least one residing in each of designated trustee areas to be determined by the county committee on school district organization. Not later than March 1, 1956, the county committee on school district organization shall file in writing its determination of the number of members of the county board of education and the designated trustee areas in the county with the county board of supervisors. In chartered counties the manner of selection of the county board of education shall be prescribed in the county charter, or by the county board of supervisors. In a county unified school district or in a unified school district which includes all of the territory over which a county superintendent of schools has jurisdiction, the governing board of the district shall serve as the county board of education.

SEC. 3. Section 304 is added to said code, to read:

Members
of county
board of
education

304. Any registered voter is eligible to be a member of the county board of education except the county superintendent of schools, any member of his staff, or any employee of a school district.

SEC. 4. Section 305 of said code is amended to read:

Election of
members

305. Members of the county board of education shall be elected on the date and in the manner prescribed for the election of members of governing boards of school districts; provided, such elections are held throughout the county on the same date; otherwise the election shall be consolidated with the direct primary election. The first election held under this article shall be conducted by the county board of supervisors and thereafter by the county board of education. They shall

take office on the first day of July subsequent to their election and shall serve for a term to be determined for each county by the county committee on school district organization. The county committee on school district organization shall also determine the manner in which the county board of education first elected under this chapter shall effect a staggering of terms.

The county committee on school district organization shall file in writing its determinations under this section with the county board of supervisors not later than March 1, 1956.

SEC. 5. Section 306 is added to said code, to read:

306. Any vacancy shall be filled by the majority of the remaining members of the board. The appointee shall hold office only until the first day of the month following the next election at which a member of the county board of education is elected in the county and until his successor is qualified. At such election the person elected to fill the vacancy shall be elected to serve for the remainder of the unexpired term.

SEC. 6. Section 308 of said code is amended to read:

308. The county superintendent of schools is ex officio secretary and executive officer of the board.

SEC. 7. Section 309 of said code is amended to read:

309. Regular meetings of the board shall be held at such time as it may determine, but not less than once per month.

SEC. 8. Section 311 of said code is amended to read:

311. Special meetings may be called by the president whenever, in his judgment, the exigencies of the schools require them to be held. Upon the request of any three members, in writing, the president shall call a special meeting.

SEC. 9. Section 312 of said code is amended to read:

312. A majority of the members shall constitute a quorum for the transaction of business.

SEC. 10. Section 313 of said code is amended to read:

313. No teacher's certificate shall be issued or renewed, nor shall any books or apparatus be adopted except by an affirmative vote of at least a majority of the members of the board.

SEC. 11. Section 315 of said code is amended to read:

315. At special meetings, no business shall be transacted other than such as may be specified in the call of the president, except that certificates to teach, upon credentials, may be granted, and unexpired certificates to teach may be renewed at any meeting of the board.

SEC. 12. Section 316 of said code is amended to read:

316. County boards of education shall:

(a) Adopt rules and regulations not inconsistent with the laws of this State, for their own government

(b) Keep a record of their proceedings.

(c) Review and make recommendations on the annual budget of the county superintendent of schools before its submission to the county board of supervisors.

(d) Review and make recommendations on the annual county school service fund budget of the county superintendent of schools before its submission to the Superintendent of Public Instruction.

Powers

SEC. 13. Section 316.1 is added to said code, to read:

316.1. County boards of education may:

(a) Adopt and use an official seal in authentication of their acts.

(b) Have such printing done as may be necessary.

(c) Approve contracts with the governing board of any school district within the county for rendering by the county superintendent of schools to any district of any service which a county superintendent may provide to any district under Sections 1501, 4728, 10324, 10506, and 16461 of this code, upon the terms and conditions agreed upon by the county superintendent of schools and the governing board of the district.

SEC. 14. Section 317 of said code is amended to read:

Compensation and expenses

317. The board of supervisors may allow to each member of the county board of education as compensation ten dollars (\$10) a day for his services, and to each member who uses a privately owned automobile in the discharge of necessary official duties as a member of the county board of education the same amount as allowed any county official in the performance of his official duties. The mileage rates allowed in this section should be based on the total mileage claimed in a calendar month.

SEC. 15. Section 320 of said code is amended to read:

Payment from county general fund

320. Compensation of the members of the board, shall be payable out of the county general fund.

SEC. 16. Section 1942 of said code is amended to read:

Appointment to fill vacancy

1942. When a vacancy occurs the county superintendent of schools with the approval of the county board of education shall appoint a suitable person to fill the vacancy, to hold office for the remainder of the unexpired term.

SEC. 17. Section 1943 of said code is amended to read:

Appointment to fill vacancy Union or joint union district board

1943. Where the vacancy occurs in a union or joint union school district board, the vacancy shall be filled by appointment by the county superintendent of schools having jurisdiction over it, subject to the approval of the county board of education.

SEC. 18. Section 3181 of said code is amended to read as follows:

Same High school boards

3181. Vacancies on high school boards shall be filled by appointment by the county superintendent of schools, subject to approval by the county board of education, having jurisdiction over the high school district. The appointee shall hold office for the remainder of the unexpired term.

SEC. 19. Section 4191 of said code is amended to read as follows:

Same Junior college boards

4191. Vacancies on the governing board of a junior college district composed of two or more high school districts, shall be

filled by appointment by the county superintendent of schools, subject to approval by the county board of education, having jurisdiction over the junior college district. The appointee shall hold office for the remainder of the unexpired term.

CHAPTER 745

An act to add Section 571.7 to the Elections Code, relating to election precincts.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 571.7 is added to the Elections Code, to read:

571.7. Whenever ballots are to be counted at a central place, either manually or by automatic mechanical or electrical devices, election precincts may be consolidated.

CHAPTER 746

An act to amend Section 5736 of the Elections Code, relating to spoiled and unused ballots.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5736 of the Elections Code is amended to read:

5736. Immediately upon the closing of the polls, and before any ballot is taken from any of the ballot boxes, the ballot clerks shall, in the presence of all persons in the room who may desire to observe them, proceed to deface every unused ballot, by drawing across its face, in ink or indelible pencil, two lines which shall cross each other, the cross to be more than three inches square. The ballot clerks shall thereupon, immediately and before any ballots are taken from any ballot box, place all defaced ballots within an envelope.

CHAPTER 747

An act to amend Section 30296 of the Water Code, relating to canvass of vote.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 30296 of the Water Code is amended to read:

30296. The vote shall be canvassed by the board of supervisors at the next regular meeting which is five or more days after the election.

CHAPTER 748

An act to amend Section 9760 of the Elections Code, relating to time for filing papers.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 9760 of the Elections Code is amended to read:

9760. All nomination papers shall be filed with the city clerk not later than 12 o'clock noon on the fifty-fourth day before the election, except that nomination papers for a candidate for election to fill a vacancy caused by a recall shall be filed not later than 12 o'clock noon on the fortieth day before the election. No candidate shall withdraw his nomination paper after it is filed with the city clerk as provided for in this section.

CHAPTER 749

An act to amend Section 34092 of the Government Code, relating to duties of city clerks.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 34092 of the Government Code is amended to read:

34092. Whenever the name of any street, boulevard, park, or place is adopted, established or changed, or any house numbers have been changed on any street, boulevard, park or place, by any city or other authority, the city clerk shall promptly forward a copy of the resolution, order, or other instrument providing for such new name or change of name or house number to the board of supervisors of the county within which such city is situated.

CHAPTER 750

An act to amend Sections 36517, 36801 and 36802 of the Government Code, relating to city officers.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 36517 of the Government Code is amended to read:

36517. The city clerk and the city treasurer shall receive, at stated times, a compensation fixed by ordinance. Except upon incorporation of a city, if the offices of city clerk and city treasurer are elective, such compensation shall not be increased or diminished after their election or during their terms of office.

SEC. 2. Section 36801 of said code is amended to read:

36801. The city council shall meet on the Tuesday after the general municipal election and choose one of its number as mayor, and one of its number as mayor pro tempore.

SEC. 3. Section 36802 of said code is amended to read:

36802. The mayor shall preside at the meetings of the council. If he is absent or unable to act, the mayor pro tempore shall serve until the mayor returns or is able to act. The mayor pro tempore has all of the powers and duties of the mayor.

CHAPTER 751

An act to amend Section 10051.1 of the Elections Code, relating to consolidated elections.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 10051.1 of the Elections Code is amended to read:

10051.1. Whenever an election called by a district, city or other political subdivision for the submission of any question or proposition is to be consolidated with a state-wide election, and such question or proposition is to appear upon the same ballot as that provided for such state-wide election, such district, city or other political subdivision must at least sixty (60) days prior to the date of the election file with the board of supervisors, and a copy with the county clerk, a resolution of its governing board requesting such consolidation and setting forth the exact form of any question or proposition to be voted upon at such election, as the same is to appear on the ballot. Such question or proposition to appear on the ballot shall not exceed 175 words in length. The resolution requesting the consolidation may be adopted and filed prior to the adoption of the ordinance, resolution or order calling the election but in that event the ordinance, resolution or order calling the election must be adopted at least 45 days before the election.

CHAPTER 752

An act to amend Sections 13404, 13405, 13441 and 13442 of, and to repeal Section 13407 of, the Education Code, relating to the holding of teachers' institutes.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13404 of the Education Code is amended to read:

Day or
evening
institutes
in lieu of
annual
institute

13404. In lieu of an annual teachers' institute, the superintendent of schools of any county, or of any city and county, or of any city school district governed by a city board of education, or of any other school district employing 200 or more teachers, may hold during the school year, at places in the county, or city and county, or city school district, chosen by the superintendent for their convenience and accessibility to teachers and patrons of the schools, local day or evening institutes or teachers' in-service meetings which shall provide at each of the chosen places, not less than the number of hours of institute work or teachers' in-service meetings as may be determined by the superintendent.

SEC. 2. Section 13405 of said code is amended to read:

Combination
of annual
institute
with local
institutes

13405. The annual teachers' institute may be combined with local institutes, by holding an annual teachers' institute in the county, or city and county, or city school district, or other school district employing 200 or more teachers, and also holding during the school year local day or evening teachers' institutes or teachers' in-service meetings at convenient places in the county, or city and county, or city school district, the whole to provide not less than the number of hours of institute work as may be determined by the superintendent.

Repeal

SEC. 3. Section 13407 of said code is repealed.

SEC. 4. Section 13441 of said code is amended to read:

Expenses

13441. The county superintendent, the city and county superintendent, and the district superintendent, and the city superintendent shall each keep an accurate account of the actual expenses incurred by him in holding any teachers' institute or teachers' in-service meetings whether separate or joint.

SEC. 5. Section 13442 of said code is amended to read:

Warrants

13442. Each county superintendent of schools shall draw his requisition upon the county auditor, who shall draw his warrants on the county school service fund to pay the expenses of the county institute or teachers' in-service meetings.

CHAPTER 753

An act to amend Section 270 of the Penal Code, relating to the duty of a mother to support her children.

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 270 of the Penal Code is amended to read:

270. A father of either a legitimate or illegitimate minor child who wilfully omits without lawful excuse to furnish necessary food, clothing, shelter or medical attendance or other remedial care for his child is guilty of a misdemeanor and punishable by imprisonment in the county jail not exceeding two years or by a fine not exceeding one thousand dollars (\$1,000), or by both. If the father, during such violation, remains out of the State for 30 days, or if he fails or refuses to comply with the order of a court of competent jurisdiction requiring him to make any provision for the maintenance, support, medical treatment or other remedial care of such minor child and remains out of the State for 10 days without doing so, he is guilty of a felony. This statute shall not be construed so as to relieve such father from the criminal liability defined herein for such omission merely because the mother of such child is legally entitled to the custody of such child nor because the mother of such child, or any other person, or organization, voluntarily or involuntarily furnishes such necessary food, clothing, shelter or medical attendance or other remedial care for such child, or undertakes to do so.

Proof of abandonment or desertion of a child by such father, or the omission by such father to furnish necessary food, clothing, shelter or medical attendance or other remedial care for his child is prima facie evidence that such abandonment or desertion or omission to furnish necessary food, clothing, shelter or medical attendance or other remedial care is wilful and without lawful excuse.

In the event that the father of either a legitimate or illegitimate minor child is dead or for any other reason whatsoever fails to furnish the necessary food, clothing, shelter or medical attendance or other remedial care for his minor child, the mother of said child shall become subject to the provisions of this section and be criminally liable for the support of said minor child during the period of failure on the part of the father to the same extent and in the same manner as the father.

The provisions of this section are applicable whether the parents of such child are married or divorced, and regardless of any decree made in any divorce action relative to alimony or to the support of the child. A child conceived but not yet born is to be deemed an existing person insofar as this section is concerned.

CHAPTER 754

An act to amend Sections 681 and 685 of the Code of Civil Procedure, relating to execution of judgments.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 681 of the Code of Civil Procedure is amended to read:

681. The party in whose favor judgment is given may, at any time within 10 years after the entry thereof, have a writ or order issued for the execution or enforcement of the judgment. If, after the entry of the judgment, the issuing of such writ or order is stayed or enjoined by any judgment or order of court, or by operation of law, the time during which it is so stayed or enjoined must be excluded from the computation of the 10 years within which execution or order may issue.

SEC. 2. Section 685 of said code is amended to read:

685. In all cases the judgment may be enforced or carried into execution after the lapse of 10 years from the date of its entry, by leave of the court, upon motion, and after due notice to the judgment debtor accompanied by an affidavit or affidavits setting forth the reasons for failure to proceed in compliance with the provisions of Section 681 of this code. The failure to set forth such reasons as shall, in the discretion of the court, be sufficient, shall be ground for the denial of the motion.

Judgment in all cases may also be enforced or carried into execution after the lapse of 10 years from the date of its entry, by judgment for that purpose founded upon supplemental proceedings; but nothing in this section shall be construed to revive a judgment for the recovery of money which shall have been barred by limitation at the time of the passage of this act.

CHAPTER 755

An act to amend Sections 2222.7 and 3093 of the Welfare and Institutions Code, relating to refunds to public assistance recipients.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2222.7 of the Welfare and Institutions Code is amended to read:

2222.7. Whenever moneys collected from recipients in repayment of aid granted under this chapter have been collected erroneously, because of mistake of law or fact, refunds shall be made as provided in this section.

Upon investigation and a finding by the county that the repayment of aid was made and collected erroneously, the county shall refund to the recipient the amount of the county and state shares of the repayment, and the State shall allow to the county in computing the amounts payable to the county pursuant to Section 2188 a credit for any amount of such refund which has previously been credited to the State. If the United States Government pays or credits to the State the amount of the repayment which has been credited to the United States Government, the State shall allow a credit to the county in the amount of the credit received by the State from the United States Government, and the county shall refund to the recipient the amount so credited to the county.

SEC. 2. Section 3093 of said code is amended to read:

3093 Whenever moneys collected from recipients in repayment of aid granted under this chapter or under Chapter 3 of this part have been collected erroneously, because of mistake of law or fact, refunds shall be made as provided in this section.

Upon investigation and a finding by the county that the repayment of aid was made and collected erroneously, the county shall refund to the recipient the amount of the county and state shares of the repayment, and the State shall allow to the county in computing the amounts payable to the county pursuant to Section 3087.2 or Section 3460 a credit for any amount of such refund which has previously been credited to the State. If the United States Government pays or credits to the State the amount of the repayment which has been credited to the United States Government, the State shall allow a credit to the county in the amount of the credit received by the State from the United States Government, and the county shall refund to the recipient the amount so credited to the county.

CHAPTER 756

An act to amend Section 29610 of the Government Code, relating to convention expenses of county and court officers.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 29610 of the Government Code is amended to read:

29610. The actual and necessary expenses of the county auditor, clerk, registrar of voters, district attorney, assessor, sheriff, public administrator, coroner, recorder, tax collector, probation officer, surveyor, jury commissioner, treasurer, and, with prior approval of the board of supervisors, necessary deputies for each such officer, one marshal of a municipal court chosen by the marshals of the municipal courts, one clerk of a municipal court chosen by the clerks of the municipal courts, one judge of a justice court chosen by the judges

of the justice courts, and one constable chosen by the constables, incurred while traveling to and from and while attending the annual convention of his respective association, not to exceed one hundred dollars (\$100) for each such officer and each such deputy, are county charges.

CHAPTER 757

An act to amend Section 5512 of the Welfare and Institutions Code, relating to sexual psychopaths.

In effect
September
7, 1955

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5512 of the Welfare and Institutions Code is amended to read:

Order of
commitment
for obser-
vation

5512. If, after examination and hearing, the judge finds that the person is a sexual psychopath within the meaning of this chapter, he shall make and sign an order that the person be placed temporarily in a suitable psychiatric facility maintained by a county or in a state hospital of the Department of Mental Hygiene designated by the court for observation and diagnosis for a period not to exceed 90 days, with the further provision in said order that the superintendent of the hospital or person in charge of the county facility shall report to the court the diagnosis and recommendations concerning such person within the 90-day period. The court shall attach to the order for observation its findings and copies of the certification and statement from the other court, any affidavits filed, the written reports of the court-appointed psychiatrists, and the report of the probation officer, together with such social and other data that it has available bearing upon the case, and the same shall be delivered to the institution with such order.

Opinion of
hospital su-
perintendent

The superintendent of the hospital or person in charge of the county facility shall within 90 days cause the person to be examined and forward to the committing court his opinion as to whether or not the person is a sexual psychopath, whether or not he is a menace to the health and safety of others, and whether or not he will benefit by care and treatment in a state hospital, including therein a report, diagnosis and recommendation concerning the person's future care, supervision and treatment.

Disposition
when not
found a
sexual
psychopath

If the superintendent of the hospital or person in charge of the county facility reports to the court that the person is not a sexual psychopath, the person shall be returned to the court for further disposition of his case. The court shall then cause the person to be returned to the court in which the criminal charge was tried to await further action with reference to such criminal charge.

If the superintendent of the hospital or person in charge of the county facility reports to the committing court that the

person is a sexual psychopath but will not benefit by care or treatment in a state hospital and is a menace to the health and safety of others, the court shall then cause the person to be returned to the court in which the criminal charge was tried to await further action with reference to such criminal charge. Such court shall resume the proceedings and shall impose sentence or make such other suitable disposition of the case as the court deems necessary. If, however, such court is satisfied that the person is a sexual psychopath but would not benefit by care or treatment in a state hospital and is a menace to the health and safety of others, it may recertify the person to the superior court of the county. If the superior court, after hearing, finds that the person is a sexual psychopath but would not benefit by care or treatment in a state hospital and is a menace to the health and safety of others, it shall make an order committing the person for an indefinite period to the Department of Mental Hygiene for placement in a state institution or institutional unit for the care and treatment of sexual psychopaths designated by the court and provided pursuant to Section 5518. At such hearing or hearings, the person shall be entitled to present witnesses in his own behalf, to be represented by counsel and to cross-examine any witnesses who testify against him. The person shall remain in such institution or institutional unit until he is no longer a menace to the health and safety of others. Thereupon, the proceedings set forth in Section 5517 shall be followed with respect to the certifying of an opinion to the committing court and the release of the person thereby.

Disposition
when found
a sexual
psychopath
Hospital-
ization
unbeneficial

If the superintendent of the hospital or person in charge of the county facility reports to the court that the person is a sexual psychopath and that the person could benefit by treatment in a state hospital, the court shall make an order committing the person to the department for placement in a state hospital for an indeterminate period and a copy of such commitment shall be personally served upon said person within five days after the making of such order and such person may within 10 days demand a hearing in court as to the question of sexual psychopathy and upon such demand said court shall order the return of said person to said court and fix a time and place for a hearing. Upon such hearing the court may accept the report of the superintendent of the hospital or person in charge of the county facility, if verified, in lieu of the examination by and testimony of court-appointed psychiatrists, or may consider the report as additional evidence. Upon such further hearing the court may make an order committing the person to the department for placement in a state hospital designated by the court for an indeterminate period, or may make other suitable disposition of the case.

Same Hos-
pitalization
beneficial

No person shall be committed for an indeterminate period as a sexual psychopath unless an observation placement has been made and reported, diagnosed and recommended upon as provided by this section.

CHAPTER 758

An act to amend Section 224 of the Civil Code, relating to adoptions.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 224 of the Civil Code is amended to read:

224. A legitimate child cannot be adopted without the consent of its parents if living; however, after the custody of any child has, by any judicial decree, been given to the father, and the mother for a period of one year fails to communicate with such child when able to do so, or been given to the mother, and the father for a period of one year shall wilfully fail to pay for the care, support and education of such child when able to do so, then the parent to whom custody has been given alone may consent to such adoption, but only after the parent to whom custody has not been given has been personally served with a copy of a citation requiring him or her to appear at the time and place set for the appearance in court under Section 227 of this code; if the parent to whom custody has not been given cannot be located for personal service, the same may be made by publication as provided for the publication of summons in Section 413 of the Code of Civil Procedure; nor an illegitimate child without the consent of its mother if living; except that the consent of a father or mother is not necessary in the following cases:

1. When such father or mother has been judicially deprived of the custody and control of such child (a) by order of the juvenile court, declaring such child to be free from the custody and control of either or both of his parents as provided in the Welfare and Institutions Code, adopted May 25, 1937, or any act or acts superseding or amending the same, or (b) by similar order of a court of another jurisdiction, pursuant to any law of that jurisdiction authorizing such order; or when such father or mother has, in a judicial proceeding in another jurisdiction, voluntarily surrendered his right to the custody and control of such child pursuant to any law of that jurisdiction provided for such surrender.

2. Where such father or mother of any child has deserted the child without provision for its identification.

3. Where such father or mother of any child has relinquished said child for adoption as provided in Section 224m of this code; or where such father or mother has relinquished said child for adoption to a licensed or authorized child-placing agency in another jurisdiction pursuant to the law of that jurisdiction.

CHAPTER 759

An act to amend Section 701 of the Welfare and Institutions Code, relating to abandonment proceedings.

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 701 of the Welfare and Institutions Code is amended to read:

701. The jurisdiction of the juvenile court extends also to any person who should be declared free from the custody and control of either or both of his parents. The words "person who should be declared free from the custody and control of either or both of his parents" shall include any person under the age of 21 years who comes within any of the following descriptions:

(a) Who has been left by either or both of his parents in the care and custody of another without any provision for his support, or without communication from either or both of his parents, for the period of one year with the intent on the part of such parent or parents to abandon such person. Such failure to provide, or such failure to communicate for the period of one year, shall be presumptive evidence of the intent to abandon. Such person shall be deemed and called a person abandoned by the parent or parents abandoning him. If in the opinion of the court the evidence indicates that either or both parents have made only token efforts to support or communicate with the child the court may declare the child abandoned by such parent or parents.

(b) Who has been cruelly treated or neglected by either or both of his parents, if such person has been a ward of the juvenile court, and such parent or parents deprived of his custody because of such cruel treatment or neglect, for the period of one year continuously immediately prior to the filing of a petition praying that he be declared free from the custody and control of such cruel or neglectful parent or parents.

(c) Whose parent or parents are habitually intemperate, or morally depraved, if such person has been a ward of the juvenile court, and the parent or parents deprived of his custody because of such intemperance, or moral depravity, for the period of one year continuously immediately prior to the filing of the petition praying that he be declared free from the custody and control of such habitually intemperate or morally depraved parent or parents.

(d) Whose parent or parents are deprived of their civil rights due to the conviction of a felony, if, after investigation and service of citations as prescribed in this chapter, upon the parent or parents who are imprisoned, the court decides that the felony of which such parent or parents were convicted

is of such nature as to prove the unfitness of such parent or parents to have the future custody and control of the child, or that the term of sentence of such parent or parents is of such length that the child will be deprived of a normal home for a period of years.

(e) Whose parent or parents have, in a divorce action, been found to have committed adultery and been divorced on that ground, if the court, after service of citations as prescribed in this chapter upon such parent or parents, and the presentation of all the evidence, finds that the future welfare of the child will be promoted by an order depriving such parent or parents of the control and custody of the child.

(f) Whose parent or parents have been declared by a court of competent jurisdiction to be feeble-minded or insane, if the State Director of Institutions and the superintendent of the state hospital of which, if any, such parent or parents are inmates or patients certify that such parent or parents so declared to be feeble-minded or insane will not be capable of supporting or controlling the child in a proper manner.

CHAPTER 760

An act to amend Sections 54955 and 54956 of the Government Code, relating to meetings of legislative bodies of local agencies.

In effect
September
7, 1955

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 54955 of the Government Code is amended to read:

Adjournment
of meetings

54955. The legislative body of a local agency may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting the clerk or secretary of the legislative body may declare the meeting adjourned to a stated time and place and he shall cause a written notice of the adjournment to be given in the same manner as provided in Section 54956 for special meetings, unless such notice is waived as provided for special meetings. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by ordinance, resolution, by-law, or other rule.

SEC. 2. Section 54956 of said code is amended to read:

54956. A special meeting may be called at any time by the presiding officer of the legislative body of a local agency, or by a majority of the members of the legislative body, by delivering personally or by mail written notice to each member of the legislative body and to each local newspaper of general circulation, radio or television station requesting notice in writing. Such notice must be delivered personally or by mail at least 24 hours before the time of such meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meetings by the legislative body. Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the clerk or secretary of the legislative body a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

Calling of
special
meetings

CHAPTER 761

An act to amend Sections 2203 and 2214 of the Corporations Code, relating to the rights of shareholders in corporations.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2203 of the Corporations Code is amended to read:

2203. Upon request in writing to the president, vice president, or secretary, sent by registered mail or delivered to the officer in person, by any persons entitled to call a meeting of shareholders, the officer forthwith shall cause notice to be given to the shareholders entitled to vote that a meeting will be held at a time, fixed by the officer, not less than 10 nor more than 60 days after the receipt of the request. If the notice is not given within seven days after the date of delivery, or the date of mailing of the request, the persons calling the meeting may fix the time of meeting and give the notice in the manner provided by law or by the by-laws. Nothing contained in this section shall be construed as limiting, fixing or affecting the time or date when a meeting of shareholders called by action of the board of directors may be held.

SEC. 2. Section 2214 of said code is amended to read:

2214. Unless the articles or by-laws otherwise provide, the board of directors may fix a time in the future as a record date for the determination of the shareholders entitled to notice of and to vote at any meeting of shareholders or entitled to receive any dividend or distribution, or any allotment of

rights, or to exercise rights in respect to any change, conversion, or exchange of shares. The record date so fixed shall be not more than 50 days prior to the date of the meeting or event for the purposes of which it is fixed. When a record date is so fixed, only shareholders of record on that date are entitled to notice of and to vote at the meeting or to receive the dividend, distribution, or allotment of rights, or to exercise the rights, as the case may be, notwithstanding any transfer of any shares on the books of the corporation after the record date.

The board of directors may close the books of the corporation against transfers of shares during the whole or any part of a period of not more than 50 days prior to the date of a shareholders' meeting, the date when the right to any dividend, distribution, or allotment of rights vests, or the effective date of any change, conversion, or exchange of shares

CHAPTER 762

An act to repeal Part 4 of Division 6 of the Water Code, relating to the San Luis Rey Water Authority.

In effect
September
7, 1955

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Part 4 of Division 6 of the Water Code is repealed.

CHAPTER 763

An act to amend Section 7044 of the Business and Professions Code, relating to contractors.

In effect
September
7, 1955

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 7044 of the Business and Professions Code is amended to read:

7044. This chapter does not apply to owners of property, building or improving structures thereon for the occupancy of such owner and not offered for sale.

In all actions brought under this chapter, proof of the sale or offering for sale of such structures by the owner-builder within one year after completion of same is presumptive evidence that such structure was undertaken for purposes of sale.

CHAPTER 764

An act to amend Section 10493 of the Insurance Code, relating to benefit and relief associations.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 10493 of the Insurance Code is amended to read:

10493. Any incorporated or unincorporated benefit and relief association organized before January 15, 1951, may procure a certificate of exemption from the commissioner if it complies with all of the following:

(a) All of the other requirements of this article.

(b) As respects life or disability or life and disability insurance transacted by it, it is of an entirely nonprofit nature.

(c) Any one of the following requirements as to membership and purpose:

(1) It is composed of and its membership limited to the appointive officers and employees of a public school district or districts and/or the pupils of any such district or districts, or of any private school or schools.

(2) It is composed of and its membership limited to the appointive officers and employees of a municipal playground system and/or the participants in dancing, recreational, sporting, educational, social and/or theatrical activities sponsored and/or directed by it and carried on through the use of any of its facilities.

(3) Its membership in this State is 1,000 or more and it is either an organization of a purely religious or benevolent character or its membership is limited to the members of such an organization.

(4) It is composed of and its membership is limited to the members of another organization which other organization is of a purely religious or benevolent character and has a total membership in this State of not less than 1,000.

(5) It is a domestic organization, lodge, society or order which prior to September 19, 1947, provided life or disability benefits or both such benefits to its members and

(A) Is of a charitable, benevolent or beneficent character or becomes such within one year from September 4, 1951, and in both instances is thereafter of such character, and

(B) Operates in such a manner that the payment of such benefits even though it be one of the express purposes of such organization, lodge or order, is as a matter of fact incidental to its charitable, benevolent or beneficent purposes or within one year from September 4, 1951, operates in such a manner and in both instances thereafter operates in such a manner.

(6) Officers and employees of a common employer, and related dependents of such officers and employees, comprising wives, husbands and unmarried dependent children under 19 years of age, and living in the same household.

CHAPTER 765

An act to amend Section 541.1 of the Probate Code, relating to the deposit of money or securities of estates of decedents.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 541.1 of the Probate Code is amended to read:

541.1. Notwithstanding the provisions of Section 541, in any proceedings for the determination of the amount of bond to be required of the executor or administrator (whether at the time of appointment or subsequently), when it appears that the estate of the decedent includes money or securities which have been, or will be, deposited in a bank or banks in this State or in a trust company authorized to transact a trust business in this State upon condition that such money or securities will not be withdrawn except on authorization of the court, the court may, in its discretion, order such money or securities so deposited and exclude such deposited property from the computation of the amount of such bond or reduce the amount of bond to be required in respect of such money or securities to such an amount as it may deem reasonable.

The petitioner for letters testamentary or of administration may deliver to any such bank or trust company any such money or securities in his possession or may allow such bank or trust company to retain any such money or securities already in its possession; and, in either event, the petitioner shall secure and file with the court a written receipt including the agreement of the bank or trust company that such money or securities shall not be allowed to be withdrawn except on authorization of the court. In so receiving and retaining such money or securities, the bank or trust company shall be protected to the same extent as though it had received the same from a person to whom letters testamentary or of administration had been issued.

CHAPTER 766

An act to add Article 8 to Chapter 1, Part 1, Division 1, Title 5 of the Government Code, relating to the boundaries of cities and counties.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 8 consisting of Sections 50190 to 50200, inclusive, is hereby added to Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code, to read:

Article 8. City Boundaries

50190. If the boundaries between cities or between a city and unincorporated territory are conflicting or incorrectly described, or if by reason of the resubdivision of land, the change in property lines or for other cause, the location of the boundaries becomes indefinite or conflicts with the established property lines, the boundaries may be corrected or relocated to follow definite, established property lines pursuant to this article. Correction
of bound-
aries

50191. The corrected or relocated boundary lines shall conform as nearly as practicable to the former boundaries. Conforma-
tion to
former
boundaries

50192. Where boundary lines are corrected or relocated, the relocation of the new lines shall be made in such a manner that the majority of the area of the parcel or property affected determines the entity within whose boundaries the parcel or property is or shall be located. The purpose of this article is to authorize only minor corrections or relocations to be made, and no corrections or relocations shall be made hereunder which relocate within the boundaries of another entity property in any parcel in excess of one acre in area. Purpose

50193. The legislative body of any city the boundaries of which are incorrectly described, indefinite, or conflict with established property lines, or the board of supervisors of the county in which any such city is located, may file with the legislative body of any other affected city, or the county, a written petition specifically describing the parcels of land affected and the proposed location of the new boundary line and requesting consent to the correction or relocation of such boundaries. Petition

50194. Petitions shall be submitted to and reported upon by the boundary commission of the county prior to being filed or acted upon. Submission
to boundary
commission

50195. The legislative body or bodies with which such petitions are filed shall by resolution either consent to or disapprove each of the corrections or relocations proposed by the petition within 30 days after receipt thereof. A certified copy of such resolution of consent or disapproval shall be forthwith filed with the clerk of the petitioning legislative body. Action by
legislative
body

Correction
by initiating
legislative
body

50196. The initiating legislative body may thereupon, by resolution, correct, relocate or alter such boundaries to the extent to which all affected legislative bodies have consented. Such resolution shall accurately describe the corrected, relocated or altered boundaries. The enacting legislative body shall cause its clerk to transmit a certified copy of such resolution to the Secretary of State, to the board of supervisors of the county in which the affected boundaries are situated, and to the legislative bodies of all affected cities.

Filing of
resolution,
etc.

50197. The Secretary of State shall file the resolution and transmit certificates of the filing thereof to the clerks of the legislative bodies of all affected cities and the board of supervisors in which the cities are situated.

Affidavit of
completion,
etc.

50198. The clerk of the legislative body initiating the proceedings shall file the affidavit of completion and the statement of boundary change required by Chapter 8, Part 1, Division 2, Title 5, of this code.

Effective
date of
correction

50199. From the date of filing of the affidavit of completion, the correction or alteration of boundaries is complete and effective for all purposes.

Tax liability

50200. If property is excluded from any city or included in any city pursuant to this article, such property shall cease to be liable for taxation for the outstanding indebtedness of the city from which it was excluded and shall become liable to taxation for the outstanding indebtedness of any other city in which it is included

CHAPTER 767

An act to amend Section 34329 and to repeal Section 36504 of the Government Code, relating to members of city councils.

In effect
September
7, 1955

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 34329 of the Government Code is amended to read:

34329. Officers, except members of the city council, shall hold office until the first succeeding general municipal election held in the city and until their successors are elected and qualified. Of the five elected members of the city council, the three receiving the lowest number of votes shall hold office until the first succeeding general municipal election held in the city and until their successors are elected and qualified, and the two receiving the highest number of votes shall hold office until the second succeeding general municipal election held in the city and until their successors are elected and qualified. If two or more members of the city council are elected by the same number of votes, the terms of each shall be determined by lot. The members of the city council elected to succeed the members elected at the incorporation election shall hold office for four

years from the Tuesday succeeding their election, and until their successors are elected and qualified.

SEC. 2. Section 36504 of said code is hereby repealed.

CHAPTER 768

An act to add Sections 35121.5 and 35313.5 to the Government Code, relating to the annexation of territory to cities.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 35121.5 is added to the Government Code, to read:

35121.5. If the city legislative body finds that a majority protest has not been made in accordance with Section 35121 and if it elects to proceed it may make such changes in the boundaries of the territory proposed to be annexed as it finds proper, but it shall not include any territory outside of the boundaries described in the petition nor shall it diminish the land area of the territory proposed to be annexed by more than 5 percent.

SEC. 2. Section 35313.5 is added to said code, to read:

35313.5. If the city legislative body finds that a majority protest has not been presented in accordance with Section 35313 and if it elects to proceed it may make such changes in the boundaries of the territory proposed to be annexed as it finds proper, but it shall not include any territory outside of the boundaries described in the resolution giving notice of the proposed annexation nor shall it diminish the land area of the territory proposed to be annexed by more than 5 percent.

CHAPTER 769

An act to add Section 35011 to the Government Code, relating to the territory annexed to cities.

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 35011 is added to the Government Code, to read:

35011. If a suit is brought attacking the regularity or validity of annexation proceedings completed pursuant to this chapter and the city which has annexed such territory is enjoined from exercising jurisdiction over such territory until

the final disposition of such suit, such territory shall be deemed to be unincorporated and county ordinances shall continue in full force and effect with respect to the territory and the county in which such territory is situated shall continue to render the same services in such territory in the same manner as it renders services to unincorporated territory in the county, until the final disposition of such suit, and thereafter if it is determined that the annexation proceedings were invalid.

CHAPTER 770

An act to amend Section 12002 of the Financial Code, relating to the definition of a check seller or casher.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12002 of the Financial Code is amended to read:

12002. A check seller or casher is a person, who, for compensation, engages, in whole or in part, in the business of selling or cashing checks, drafts, money orders, or other commercial paper serving the same purpose, or receiving money as agent of an obligor for the purpose of paying to a person other than the check seller or casher bills, invoices, or accounts of such obligor.

CHAPTER 771

An act to amend Section 12101 of the Financial Code, relating to the Check Sellers and Cashers Law.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12101 of said code is amended to read:

12101. The provisions of this division relating to the cashing of checks, drafts, money orders, or other commercial paper serving the same purpose, do not apply to any person the major portion of whose business consists of other than selling or cashing checks, drafts, money orders, or other commercial paper serving the same purpose, or receiving money for the purpose of paying to a person other than the check seller or casher, bills, invoices, or accounts of an obligor.

CHAPTER 772

An act to amend Section 12200 of the Financial Code, relating to necessity for commissioner's license to engage in business as a check seller or casher.

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12200 of the Financial Code is amended to read:

12200. No person shall engage in the business, for compensation, of selling or cashing checks, drafts, money orders, or other commercial paper serving the same purpose, or of receiving money as agent of an obligor for the purpose of paying bills, invoices, or accounts of such obligor without first obtaining a license from the commissioner.

CHAPTER 773

An act to amend Section 12308 of the Financial Code, relating to maximum fees to be charged under Check Sellers and Cashers Law.

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12308 of said code is amended to read:

12308. No person shall charge a fee for selling or cashing a check, draft, money order, or other commercial paper serving the same purpose, in excess of one-half of 1 percent of the face amount of said check, draft, money order or other commercial paper or thirty-five cents (\$.35), whichever is greater, unless the check, draft, money order or other commercial paper presented for cashing is drawn on a bank located outside of the State or, in a face amount in excess of one hundred dollars (\$100), in which event the fee shall not exceed 1 percent of the face amount thereof.

CHAPTER 774

An act to amend Section 12310 of the Financial Code, relating to the sale of checks payable to bearer by a check seller or cashier.

In effect
September
7, 1955

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 12310 of said code is amended to read:
12310. A licensee under this division shall not sell checks payable to bearer, to cash, or to the purchaser, but a licensee may sell a check in which the name of the payee is not designated in any way if the check does not exceed one hundred fifty dollars (\$150) in amount.

CHAPTER 775

An act to add Sections 1488, 1489 and 1490 to the Probate Code, relating to discharge of sureties.

In effect
September
7, 1955

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1488 is added to the Probate Code, to read:

1488. When a surety of a guardian desires to be released from responsibility on account of future acts, he may make application to the court, or a judge thereof, for relief. The court or judge shall cite the guardian to appear at a designated time and place and give other security. If the guardian has absconded, left, or removed from the State, or if he cannot be found after due diligence and inquiry, the citation may be served by leaving a copy of it at his residence, or by such publication as the court or judge may order.

SEC. 2. Section 1489 is added to said code, to read:

1489. If the guardian neglects or refuses to give new sureties, to the satisfaction of the judge, on the return of the citation or within such reasonable time as the judge shall allow, unless the surety making the application shall consent to a longer extension of time, the court or judge must revoke his letters.

SEC. 3. Section 1490 is added to said code, to read:

1490. If new sureties be given to the satisfaction of the judge, he shall thereupon make an order that the sureties who applied for relief shall not be liable on their bond for any subsequent act, default or misconduct of the guardian.

CHAPTER 776

*An act to amend Section 750 of the Code of Civil Procedure,
relating to actions to quiet title.*

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 750 of the Code of Civil Procedure is hereby amended to read as follows:

750. Within one year after the filing of the complaint, as required by the preceding sections, a summons must be issued, which shall contain the matters required by Section 407 of this code, and in addition, a description of the property and a statement of the object of the action. In said summons the said unknown defendants shall be designated as in the complaint, whether they are the sole defendants or not. If as to any defendant the action is one brought under the provisions of Section 738 and sections pertinent thereto of this code, such defendant may be named in the same summons and no separate or additional summons need be issued directed to such defendant.

Issuance of
summons

Within 30 days after the issuance of the summons, the plaintiff shall post or cause to be posted a copy thereof in a conspicuous place on the property described in the complaint.

Posting

At any time after the issuance of the summons, the plaintiff, or his agent or attorney, shall make and file an affidavit wherein there shall be stated the following matters:

Affidavit

(a) The names of the defendants, if any, as to whom the action is brought under the provisions of Section 738 and sections pertinent thereto of this code; if there is no such defendant that fact shall be stated;

(b) The names of all the defendants who have been served personally, if any; if there is none that fact shall be stated;

(c) The names of the defendants who reside out of the State and their places of residence, if known to the plaintiff; and

(d) The names of the defendants residing in or out of the State whose place of residence is unknown to the plaintiff.

All defendants as to whom the action is one brought under the provisions of Section 738 and sections pertinent thereto of this code, shall be served with said summons in the manner provided in Title 5 of Part 2 of this code.

Service

All other defendants residing in the State of California, whose place of residence is known to the plaintiff shall be served personally with said summons; provided, that any such defendant who conceals himself to avoid service of summons may be served as provided in Sections 412 and 413 of this code.

Except as otherwise provided, upon the making and filing of the aforesaid affidavit, the court or a judge thereof shall make

an order directing the said summons to be served upon the defendants residing out of the State, whose place of residence is known to the plaintiff and upon the defendants residing in or out of the State, whose place of residence is unknown to the plaintiff, and upon all the unknown defendants as stated in the complaint and summons, by publication in some daily or weekly newspaper of general circulation printed and published in the county where the property is situated, and if there be no such paper in such county, then in some adjoining county, to be designated by the court or a judge thereof, which publication shall be pursuant to Government Code Section 6064.

Within 10 days after the making of the said order directing publication of summons, a copy of the summons and complaint, properly addressed and with the postage thereon fully prepaid, shall be mailed to each of the defendants whose names are known who reside out of the State, at their place of residence, if known, and also to the defendants whose names are known residing in or out of the State, whose place of residence is unknown to plaintiff, addressed to them at the county seat of the county where the action is commenced.

All such unknown persons so served shall have the same rights as are provided by law in cases of all other defendants named, upon whom service is made by publication, or personally, and the action shall proceed against such unknown persons in the same manner as against the defendants who are named upon whom service is made by publication or personally, and with like effect; and any such unknown person who has or claims to have any right, title, estate, lien or interest in the said property, or cloud on the title thereto, adverse to plaintiff, at the time of the commencement of the action, who has been duly served as aforesaid, and anyone claiming under him, shall be concluded by the judgment in such action as effectually as if the action was brought against the said person by his or her name and personal service of process was obtained, notwithstanding any such unknown person may be under legal disability. Service shall be deemed complete upon the completion of the mailing and publication.

In the event that service of any summons shall be required to be by publication as to any defendant as to whom the action is brought under the provisions of Section 738 of this code, the order for such publication, made pursuant to the provisions of Sections 412 and 413 of this code may be made either as a part of the order for publication of summons made as to other defendants, or as a separate order, as the court or a judge thereof may consider proper in the particular case.

CHAPTER 777

An act making appropriations for the support of the Government of the State of California and for several public purposes in accordance with the provisions of Section 34 of Article IV of the Constitution of the State of California, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 27, 1955 Filed with
Secretary of State May 27, 1955]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. This act shall be known and may be cited as the "Budget Act of 1955." Short title

SEC. 2. The following sums of money, or so much thereof as may be necessary unless otherwise provided herein, are hereby appropriated for the use and support of the State of California for the 1955-56 Fiscal Year beginning July 1, 1955, and ending June 30, 1956. All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury. Budget appropriations

Whenever by constitutional or statutory provision the revenues or receipts of any institution, department, board, bureau, commission, officer, employee, or other agency, or any moneys in any special fund created by law therefor, are to be used for salaries, support or any proper purpose, expenditures shall be made therefrom for any such purposes to the extent only of the amount herein appropriated, unless otherwise stated herein, or authorized by the Governor and Director of Finance pursuant to Section 11006, Government Code. Special funds

Appropriations for purposes not otherwise provided for herein which have been heretofore made by any existing constitutional or statutory provision shall continue to be governed thereby. Recurrent appropriations

STATE OPERATIONS SECTION

LEGISLATIVE

Item	Amount	Legislative
1—For salaries of Senators.....	\$240,000	
2—For pay of officers, clerks, and all other employees of the Senate	9,000	
3—For mileage of Lieutenant Governor, Senators and statutory officers of the Senate.....	1,200	
4—For expenses of Members of the Senate.....	16,800	
5—For contingent expenses of Senate and legislative committees thereof composed in whole or in part of Members of the Senate.....	900,000	
to be transferred by the State Controller to the Senate Contingent Fund.		
6—For salaries of Assemblymen.....	480,000	
7—For pay of officers, clerks, and all other employees of the Assembly.....	9,000	

	Item	Amount
	8—For mileage of Assemblymen and statutory officers of the Assembly-----	2,500
	9—For expenses of Members of the Assembly---	33,600
	10—For contingent expenses of Assembly and legislative committees thereof composed in whole or in part of Members of the Assembly----- to be transferred by the State Controller to the Assembly Contingent Fund.	800,000
	11—For legislative printing, binding, mailing, and other necessary expenses----- to be transferred by the State Controller to the Legislative Printing Fund.	580,000
	12—For contingent expenses of the State Capitol Committee -----	1,500
	13—For support of Legislative Office in Alameda County -----	5,766
	14—For support of Legislative Office at Los Angeles -----	10,332
	15—For support of Legislative Office at San Diego -----	7,315
	16—For support of Legislative Office at San Francisco -----	5,814
Legislative Counsel	17—For support of Legislative Counsel Bureau, in accordance with the following schedule---- and in addition thereto any amounts collected for services to other agencies which by law are available for support of said office. Schedule: (a) Salaries and Wages----- 338,497 (b) Operating Expenses and Equipment ----- 27,636 Total of schedule----- 366,133 Less: Estimated reimbursements: (c) For services to other state agencies ----- 20,000	346,133
	Net appropriation -----	346,133
Law Revision Commission	18—For support of California Law Revision Commission in accordance with the following schedule ----- Schedule: (a) Salaries and Wages----- 20,325 (b) Operating Expenses and Equipment ----- 32,762 Total of schedule----- 53,087	53,087
Commission on Uniform State Laws	19—For support of California Commission on Uniform State Laws-----	3,950

Item	Amount	
20—For State's contribution to the Legislators' Retirement Fund in accordance with Section 9358 of the Government Code-----	70,000	Legislators' Retirement Fund

JUDICIAL

21—For support of Supreme Court of California-----	489,447	Supreme Court
22—For support of Judicial Council-----	99,793	Judicial Council
23—For additional support of Judicial Council, to be expended for extra compensation and traveling expenses of judges assigned by the Judicial Council -----	25,000	
24—For support of the District Court of Appeal, First Appellate District-----	230,402	District Court of Appeal
25—For support of the District Court of Appeal, Second Appellate District-----	350,950	
26—For support of the District Court of Appeal, Third Appellate District -----	131,865	
27—For support of the District Court of Appeal, Fourth Appellate District-----	165,373	

EXECUTIVE

28—For support of the Governor and of the Governor's Office (exempt from the provisions of Sections 12410, 13320, and 16003 of the Government Code) -----	395,930	Governor
29—For support of the Governor's residence (exempt from the provisions of Sections 12410, 13320, 16003, and 17031 of the Government Code) -- -----	17,400	
30—For special contingent expenses (secret service), Governor's Office (exempt from the provisions of Sections 12410, 13320, 16003, and 17031 of the Government Code)-----	7,500	
31—For support of the Office of Civil Defense, California State Disaster Council, and advisory committees -----	973,268	
32—For processing fingerprints and verifying the identification of civil defense volunteer workers, Office of Civil Defense -----	10,000	
33—In the event that a state of extreme emergency, as defined in Sections 1505 and 1505.5 of the Military and Veterans Code, should exist during the 1955-56 Fiscal Year, any money in the Revenue Deficiency Reserve Fund, or so much thereof as may be deemed necessary, shall be transferred to the Emergency Fund specified in Item 276, upon the direction of the Governor, the State Controller, and the Director of Finance and pursuant to the recommendation of the California		Disaster Council

Item	Amount
State Disaster Council. The money so transferred may be expended as provided in said Item 276 to carry out the provisions of the California Disaster Act for the relief and alleviation of the state of extreme emergency. Upon the termination of the period of the state of extreme emergency, the unencumbered balance of the money so transferred shall be returned to the Revenue Deficiency Reserve Fund.	
General Fund	33.1—For transfer by the State Controller from the Revenue Deficiency Reserve Fund to the General Fund from time to time during the 1955-56 Fiscal Year, in such amounts as are determined by the Governor, Controller and Director of Finance to be necessary or advisable (1) to avoid the issuance of registered warrants under Chapter 2 (commencing at Section 17200) of Part 4 of Division 4 of Title 2 of the Government Code, (2) to minimize borrowing from other funds under Section 16310 of the Government Code, and (3) to maintain the solvency of the General Fund and balance the General Fund budget.
Lieutenant Governor	34—For salary and support of Lieutenant Governor in accordance with the following schedule ----- Schedule: (a) Salaries and Wages----- 31,936 (b) Operating Expenses and Equipment ----- 15,296 Total of schedule ----- 47,232
47,232	
GENERAL ADMINISTRATION	
Employees' Retirement System	35—For support of Board of Administration of the State Employees' Retirement System, in accordance with the following schedule---- and in addition thereto any amounts collected for services which by law are available for support of said board.
	Schedule: (a) Salaries and Wages----- 514,633 (b) Operating Expenses and Equipment ----- 103,139 Total of schedule ----- 617,772 Less: Estimated reimbursements: (c) For services to contracting agencies ----- 363,075 Net appropriation ----- 254,697
	254,697

Item	Amount	
36—For support of California Commission on Interstate Cooperation -----	33,305	Commission on Interstate Cooperation
37—For support of State Personnel Board, in accordance with the following schedule----- and in addition thereto any amounts collected for services, which by law are available for support of said board. Schedule:	1,635,245	Personnel Board
(a) Salaries and Wages-----	1,511,743	
(b) Operating Expenses and Equipment -----	231,154	
Total of schedule-----	1,742,897	
Less: Estimated reimbursements:		
(c) For services to other state agencies and units of local government -----	107,652	
Net appropriation -----	1,635,245	
38—For support of Secretary of State, in accordance with the following schedule----- and in addition thereto any amounts collected for services to other agencies, which by law are available for support of said office. Schedule:	247,588	Secretary of State
(a) Salaries and Wages-----	200,169	
(b) Operating Expenses and Equipment -----	54,819	
Total of schedule-----	254,988	
Less: Estimated reimbursements:		
(c) For services to other agencies -----	7,400	
Net appropriation -----	247,588	
38.5—For moving expenses and to set up equipment for the Central Records Depository, Secretary of State-----	30,000	
39—For support of Division of Collection Agencies, Secretary of State's Office, payable from the Collection Agency Fund, in accordance with the following schedule-----	37,137	
Schedule:		
(a) Salaries and Wages-----	23,550	
(b) Operating Expenses and Equipment -----	13,587	
Total of schedule-----	37,137	

AGRICULTURE

40—For support of Department of Agriculture and the State Livestock Sanitary Committee, in accordance with the following schedule---	5,921,190	Department of Agriculture
--	-----------	---------------------------

Item

Amount

and in addition thereto any amounts collected for services to activities supported out of other funds which by law are available for support of said department.

Schedule:

(a) Salaries and Wages----- 4,703,361

(b) Operating Expenses and
Equipment ----- 1,800,100

Total of schedule----- 6,503,461

Less: Estimated reimbursements:

(c) For services rendered to
activities supported from
sources other than the Gen-
eral Fund ----- 582,271

Net appropriation----- 5,921,190

41—For cooperation with the Federal Govern-
ment in marketing research under the provi-
sions of Public Law 733 (Seventy-ninth Con-
gress) and Section 1286 of the Agricultural
Code, Department of Agriculture-----

70,000

42—The unexpended balance as of June 30, 1955,
of the appropriation made by Item 42 of the
Budget Act of 1953, as amended by Item 41
of the Budget Act of 1954, is hereby reappro-
priated for moving expenses, Department of
Agriculture.

43—For support of Department of Agriculture,
payable from the Department of Agriculture
Fund, in accordance with the following sched-
ule -----

4,877,310

and in addition thereto any amounts collected
for services to activities supported out of
other funds which by law are available for
support of said department.

Schedule:

(a) Salaries and Wages----- 3,397,077

(b) Operating Expenses and
Equipment ----- 1,486,733

Total of schedule----- 4,883,810

Less: Estimated reimbursements:

(c) For services to activities sup-
ported out of other funds--- 6,500

Net appropriation----- 4,877,310

Poultry
Improvement
Commission

44—For support of Poultry Improvement Com-
mission, payable from the Poultry Testing
Project Fund, in accordance with the follow-
ing schedule -----

90,988

Item	Amount	
and in addition thereto any amounts collected for services to employees which by law are available for support of said commission. Schedule :		
(a) Salaries and Wages-----	42,369	
(b) Operating Expenses and Equipment-----	49,951	
Total of schedule-----	92,320	
Less: Estimated reimbursements:		
(c) For services to employees---	1,332	
Net appropriation-----	90,988	
45—For augmentation of the Poultry Testing Project Fund payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code-----		Poultry Testing Project Fund
to be transferred by the State Controller to the Poultry Testing Project Fund.	29,858	
CORRECTIONS		
46—For support of Departmental Administration, and Board of Corrections, Department of Corrections, in accordance with the following schedule-----		Department of Corrections
Schedule :		
(a) Salaries and Wages-----	394,150	
(b) Operating Expenses and Equipment-----	64,559	
Total of schedule-----	458,709	
47—For transportation of prisoners to and between state prisons, including the return of parole violators to prison and for the conveying of persons under provisions of Sections 3300.4 and 3300.46 of the Health and Safety Code in accordance with the provisions of Section 26749 of the Government Code-----		
	79,400	
48—For expenses of returning fugitives from justice from outside the State in accordance with the provisions of Section 1557 of the Penal Code-----		
	201,600	
49—For court costs and county charges, payable under Section 4700 of the Penal Code, in connection with trials of inmates charged with commission of a crime or crimes while incarcerated in a state institution or prison under the Department of Corrections, Department of Corrections-----		
	25,000	

	Item	Amount
Medical Facility	50—For support of the Medical Facility, Department of Corrections, in accordance with the following schedule -----	2,120,745
	and in addition thereto any amounts collected for services to employees, and other agencies, which by law are available for support of said institution.	
	Schedule:	
	(a) Salaries and Wages-----	1,494,744
	(b) Operating Expenses and Equipment -----	679,381
	(c) Inmate Pay-work Projects--	10,340
	Total of schedule-----	2,184,465
	Less: Estimated reimbursements:	
	(d) For services to employees---	19,920
	(e) For maintenance of public health wards -----	43,800
	Net appropriation-----	2,120,745
	51—For purchase of materials and supplies to provide initial inventory, Medical Facility, Department of Corrections -----	15,000
Temporary facility	52—For support of a temporary facility, Department of Corrections, in accordance with the following schedule-----	1,220,779
	and in addition thereto any amounts collected for services to employees, and other agencies which by law are available for support of said institution.	
	Schedule:	
	(a) Salaries and Wages-----	742,897
	(b) Operating Expenses and Equipment -----	490,542
	(c) Inmate Pay-work Projects--	9,240
	Total of schedule-----	1,242,679
	Less: Estimated reimbursements:	
	(d) For services to employees---	21,900
	Net appropriation-----	1,220,779
	53—For purchase of materials and supplies to provide initial inventory and for moving expenses of employees, temporary facility, Department of Corrections -----	24,000
Institution for Men	54—For support of California Institution for Men, Department of Corrections, in accordance with the following schedule-----	3,587,410
	and in addition thereto any amounts collected for services to employees, and other agencies, which by law are available for support of said institution.	

Item	Amount	
Schedule:		
(a) Salaries and Wages-----	2,456,640	
(b) Operating Expenses and Equipment -----	1,461,168	
(c) Inmate Pay-work Projects--	105,660	
Total of schedule-----	4,023,468	
Less: Estimated reimbursements:		
(d) For services to employees and other agencies-----	53,875	
(e) For services to correctional industries -----	64,740	
(f) For services to Division of Forestry -----	107,450	
(g) For services to Division of Highways -----	29,220	
(h) For services to United States Forest Service -----	180,773	
Net appropriation-----	3,587,410	
55—For support of California State Prison at Folsom, Department of Corrections, in accordance with the following schedule-----	2,865,783	State prisons Folsom
and in addition thereto any amounts collected for services to employees, and other agencies, which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages-----	1,845,892	
(b) Operating Expenses and Equipment -----	1,259,826	
(c) Inmate Pay-work Projects--	67,230	
Total of schedule-----	3,172,948	
Less: Estimated reimbursements:		
(d) For services to employees--	63,900	
(e) For services to correctional industries and to the Division of Architecture-----	31,550	
(f) For services to Division of Forestry -----	115,975	
(g) For services to United States Forest Service -----	95,740	
Net appropriation-----	2,865,783	
56—For support of California State Prison at San Quentin, Department of Corrections, in accordance with the following schedule-----	4,866,876	San Quentin
and in addition thereto any amounts collected for services to employees and other agencies, which by law are available for support of said institution.		

Item		Amount
	Schedule:	
	(a) Salaries and Wages.....	2,902,039
	(b) Operating Expenses and Equipment	2,329,247
	(c) Inmate Pay-work Projects..	103,470
	Total of schedule.....	5,334,756
	Less: Estimated reimbursements:	
	(d) For services to employees and inmates	83,115
	(e) For services to correctional industries and to the Divi- sion of Architecture.....	49,800
	(f) For services to Division of Forestry	121,405
	(g) For services to United States Forest Service	87,910
	(h) For services to Division of Highways	118,050
	(i) For services to other agen- cies	7,600
	Net appropriation	4,866,876
Soledad	57—For support of California State Prison at Soledad, Department of Corrections, in ac- cordance with the following schedule..... and in addition thereto any amounts collected for services to employees, and other agencies, which by law are available for support of said institution.	2,765,060
	Schedule:	
	(a) Salaries and Wages.....	1,745,938
	(b) Operating Expenses and Equipment	1,241,651
	(c) Inmate Pay-work Projects ..	58,395
	Total of schedule.....	3,045,984
	Less: Estimated reimbursements:	
	(d) For services to employees..	55,670
	(e) For services to correctional industries	44,110
	(f) For services to Division of Forestry	125,364
	(g) For services to United States Forest Service	55,780
	Net appropriation	2,765,060
Deuel Vocational Institution	58—For support of Deuel Vocational Institution, Department of Corrections, in accordance with the following schedule.....	2,268,697

Item	Amount	
and in addition thereto any amounts collected for services to employees, and other agencies, which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages-----	1,585,023	
(b) Operating Expenses and Equipment-----	714,659	
(c) Inmate Pay-work Projects--	8,820	
Total of schedule-----	2,308,502	
Less: Estimated reimbursements:		
(d) For services to employees--	26,995	
(e) For services to correctional industries-----	12,810	
Net appropriation-----	2,268,697	
59—For support of California Institution for Women, Department of Corrections, in accordance with the following schedule-----	812,228	Institution for Women
and in addition thereto any amounts collected for services to employees, and other agencies, which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages-----	518,955	
(b) Operating Expenses and Equipment-----	304,385	
(c) Inmate Pay-work Projects--	5,558	
Total of schedule-----	828,898	
Less: Estimated reimbursements:		
(d) For services to employees--	8,920	
(e) For services to correctional industries-----	600	
(f) For services to School for the Deaf-----	7,150	
Net appropriation-----	812,228	
60—For support of Adult Authority, Department of Corrections, in accordance with the following schedule-----	1,218,925	Adult Authority
and in addition thereto any amounts returned by paroled or discharged prisoners in repayment of cash or other assistance advanced, which by law are available for support of said agency.		
Schedule:		
(a) Salaries and Wages-----	950,596	
(b) Operating Expenses and Equipment-----	277,089	
Total of schedule-----	1,227,685	

Item	Amount
Less: Estimated reimbursements:	
(c) From parolees for cash or other assistance advanced__	8,760
Net appropriation _____	1,218,925
Board of Trustees, California Institution for Women	
61—For support of Board of Trustees, California Institution for Women, Department of Cor- rections, in accordance with the following schedule _____	109,907
and in addition thereto any amounts returned by paroled or discharged prisoners in repay- ment of cash assistance advanced, which by law are available for support of said agency. Schedule:	
(a) Salaries and Wages_____	72,875
(b) Operating Expenses and Equipment _____	37,742
Total of schedule_____	110,617
Less: Estimated reimbursements:	
(c) From parolees for cash as- sistance advanced _____	710
Net appropriation_____	109,907
YOUTH AUTHORITY	
Department of Youth Authority	
62—For support of Departmental Administration, Department of the Youth Authority, in ac- cordance with the following schedule_____	1,571,485
and in addition thereto any amounts collected from parolees, which by law are available for support of said department.	
Schedule:	
(a) Salaries and Wages_____	1,169,480
(b) Operating Expenses and Equipment _____	402,705
Total of schedule_____	1,572,185
Less reimbursements:	
(c) From parolees for cash or other assistance advanced__	700
Net appropriation _____	1,571,485
63—For per diem and other necessary expenses in connection with consulting services and con- ferences of the California Youth Committee, created pursuant to Section 1520 of the Mili- tary and Veterans Code._____	4,000
64—For deportation of nonresidents committed to the Department of the Youth Authority_____	39,545

Item	Amount	
65—For transportation of persons committed to the Department of the Youth Authority to or between its facilities, including the return of parole violators -----	70,200	
66—For maintenance of persons committed to the Department of the Youth Authority and paroled to the custody of private foster homes--	64,600	
67—For support of Northern California Reception Center and Clinic, Department of the Youth Authority, in accordance with the following schedule -----	682,510	Reception Centers Northern California
and in addition thereto any amounts collected for services to employees, and other agencies, which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages-----	524,165	
(b) Operating Expenses and Equipment -----	170,885	
Total of schedule-----	695,050	
Less: Estimated reimbursements:		
(c) For services to employees---	12,540	
Net appropriation -----	682,510	
68—For support of Southern California Reception Center and Clinic, Department of the Youth Authority, in accordance with the following schedule -----	1,036,674	Southern California
and in addition thereto any amounts collected for services to employees, which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages-----	765,059	
(b) Operating Expenses and Equipment -----	289,435	
Total of schedule-----	1,054,494	
Less: Estimated reimbursements:		
(c) For services to employees---	17,820	
Net appropriation -----	1,036,674	
69—For support of Youth Authority Camps, Department of the Youth Authority, in accordance with the following schedule-----	307,383	Youth Authority Camps
and in addition thereto any amounts collected for services to employees and to the Division of Forestry, which by law are available for support of said camps.		

Item		Amount
	Schedule:	
	(a) Salaries and Wages-----	295,294
	(b) Operating Expenses and Equipment -----	230,220
	(c) Inmate Pay-work Projects--	37,895
	<hr/> Total of schedule-----	563,409
	Less: Estimated reimbursements:	
	(d) For services to employees--	7,815
	(e) For services to Division of Forestry -----	248,211
	<hr/> Net appropriation -----	307,383
Fricot Ranch School	70—For support of Fricot Ranch School for Boys, Department of the Youth Authority, in ac- cordance with the following schedule----- and in addition thereto any amounts collected for services to employees and sale of surplus products which by law are available for sup- port of said school.	397,721
	Schedule:	
	(a) Salaries and Wages-----	294,058
	(b) Operating Expenses and Equipment -----	118,963
	<hr/> Total of schedule-----	413,021
	Less: Estimated reimbursements:	
	(c) For services to employees and sale of surplus products	15,300
	<hr/> Net appropriation -----	397,721
Fred C. Nelles School	71—For support of the Fred C. Nelles School for Boys, Department of the Youth Authority, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees, for services to other agencies, and from sale of surplus products, which by law are available for support of said school.	847,051
	Schedule:	
	(a) Salaries and Wages-----	684,771
	(b) Operating Expenses and Equipment -----	191,095
	<hr/> Total of schedule-----	875,866
	Less: Estimated reimbursements:	
	(c) For services to employees, for services to other agencies, and from sale of surplus products -----	28,815
	<hr/> Net appropriation -----	847,051

Item	Amount	
72—For support of Paso Robles School for Boys, Department of the Youth Authority, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees and sale of surplus products, which by law are available for support of said school. Schedule:	796,756	Paso Robles School
(a) Salaries and Wages-----	572,842	
(b) Operating Expenses and Equipment -----	229,854	
Total of schedule-----	802,696	
Less: Estimated reimbursements:		
(c) For services to employees and sale of surplus products -----	5,940	
Net appropriation -----	796,756	
73—For support of Preston School of Industry, Department of the Youth Authority, in accordance with the following schedule----- and in addition thereto any amounts collected for services to other agencies, services to employees, and from sale of surplus products, which by law are available for support of said school. Schedule:	1,557,078	Preston School of Industry
(a) Salaries and Wages-----	1,233,887	
(b) Operating Expenses and Equipment -----	409,951	
Total of schedule-----	1,643,838	
Less: Estimated reimbursements:		
(c) For services to employees and other agencies, and sale of surplus products -----	86,760	
Net appropriation -----	1,557,078	
74—For support of Los Guillicos School for Girls, Department of the Youth Authority, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees which by law are available for support of said school. Schedule:	648,834	Los Guillicos School
(a) Salaries and Wages-----	479,030	
(b) Operating Expenses and Equipment -----	174,104	
Total of schedule-----	653,134	

Item	Amount
Less: Estimated reimbursements:	
(c) For services to employees----	4,300
Net appropriation -----	648,834
Ventura School	
75—For support of Ventura School for Girls, Department of the Youth Authority, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees which by law are available for support of said school.	682,548
Schedule:	
(a) Salaries and Wages-----	528,547
(b) Operating Expenses and Equipment -----	165,411
Total of schedule -----	693,958
Less: Estimated reimbursements:	
(c) For services to employees----	11,410
Net appropriation -----	682,548
EDUCATION	
Department of Education	
76—For support of Department of Education, Superintendent of Public Instruction and State Board of Education, in accordance with the following schedule----- and in addition thereto any amounts collected for services to other activities, for sale of bulletins, and for services to local school districts, which by law are available for support of said department.	2,589,892
Schedule:	
(a) Salaries and Wages-----	2,130,149
(b) Operating Expenses and Equipment -----	774,076
Total of schedule -----	2,904,225
Less: Estimated reimbursements:	
(c) For services to other activities, for sale of bulletins, and for services to local school districts and the Federal Government -----	314,333
Net appropriation -----	2,589,892
76.1—For additional support of Department of Education, payable from the State School Building Aid Fund-----	25,800
Vocational education	
77—For vocational education, Department of Education, in lieu of the appropriations made by Education Code, Sections 5705, 5706, and 9161 -----	725,768

Item	Amount
to be transferred to the Vocational Education Fund upon order of the State Controller. At the end of the fiscal year, any unencumbered balance of money so transferred shall revert to the General Fund to the credit of this item. Notwithstanding any other provision of law, expenditures from the appropriation made by this item are subject to the provisions of Section 18004 of the Government Code.	
78—For vocational rehabilitation, Department of Education -----	1,245,533
<p>This appropriation, together with any funds made available for vocational rehabilitation by the Federal Government, or any agency thereof, or for services to other agencies, shall be expended in accordance with the following schedule.</p> <p>Schedule:</p> <p>(a) Salaries and Wages ----- 1,138,042</p> <p>(b) Operating Expenses and Equipment ----- 2,016,769</p> <p>Total of schedule ----- 3,154,811</p> <p>Less: Estimated reimbursements:</p> <p>(c) Federal Government contributions ----- 1,909,278</p> <p>Net appropriation ----- 1,245,533</p> <p>Provided, that of the amount appropriated by this item \$34,000 is exempt from the provisions of Section 12 of this act and may be expended for purchase of equipment or supplies for cafeteria-type blind vending stands in state office buildings.</p>	Vocational rehabilitation
79—For support of Division of Libraries, Department of Education, and Board of Library Examiners, in accordance with the following schedule -----	545,587
<p>and in addition thereto any amounts collected for services, which by law are available for support of said agency.</p> <p>Schedule:</p> <p>(a) Salaries and Wages ----- 423,713</p> <p>(b) Operating Expenses and Equipment ----- 126,574</p> <p>Total of schedule ----- 550,287</p> <p>Less: Estimated reimbursements:</p> <p>(c) For photostats and services to Printing Division, Department of Finance ----- 4,700</p> <p>Net appropriation ----- 545,587</p>	Division of Libraries

Item	Amount
<div>State Colleges: Chico</div> <div>80—For support of Chico State College, in accordance with the following schedule----- and in addition thereto the amount of such reimbursements for services to other agencies or other funds, such receipts from the Federal Government for the education of veterans and such student fees as may otherwise be made available by law for support of said college. Schedule:</div> <div> <div>(a) Salaries and Wages----- 1,252,545</div> <div>(b) Operating Expenses and Equipment ----- 221,293</div> <div>Total of schedule----- 1,473,838</div> <div>Less: Estimated reimbursements:</div> <div>(c) For services to other agencies and other funds----- 27,302</div> <div>(d) Estimated student fees appropriated by Education Code, Section 20344----- 127,455</div> <div>(e) From Federal Government for education of veterans, appropriated by Education Code, Section 20252----- 11,637</div> <div>Net appropriation ----- 1,307,444</div> </div>	1,307,444
<div>Fresno</div> <div>81—For support of Fresno State College, in accordance with the following schedule----- and in addition thereto the amount of such reimbursements for services to other agencies, and other funds, such receipts from the Federal Government for the education of veterans, and such student fees as may otherwise be made available by law for support of said college. Schedule:</div> <div> <div>(a) Salaries and Wages----- 2,292,728</div> <div>(b) Operating Expenses and Equipment ----- 371,055</div> <div>Total of schedule----- 2,663,783</div> <div>Less: Estimated reimbursements:</div> <div>(c) For services to other agencies and other funds----- 11,051</div> <div>(d) Estimated student fees appropriated by Education Code, Section 20344----- 387,716</div> <div>(e) Estimated receipts from Federal Government for education of veterans, appropri-</div> </div>	2,253,471

Item	Amount
ated by Education Code, Section 20252 -----	11,545
Net appropriation -----	2,253,471
82—For additional support, Fresno State College, payable from the State College Fund, in ac- cordanance with the following schedule----- and in addition thereto the amount of such reimbursements for services to other agencies, sales of surplus products and equipment rentals which by law are available for support of said college.	386,901
Schedule:	
(a) Salaries and Wages -----	284,988
(b) Operating Expenses and Equipment -----	107,413
Total of schedule-----	392,401
Less: Estimated reimbursements:	
(c) For sale of surplus products, services to other agencies and equipment rentals-----	5,500
Net appropriation -----	386,901
83—For support of Humboldt State College, in accordance with the following schedule----- and in addition thereto the amount of such reimbursements for services to other agencies, and other funds, such receipts from the Fed- eral Government for the education of veterans and such student fees as may otherwise be made available by law for support of said college.	Humboldt 1,085,841
Schedule:	
(a) Salaries and Wages -----	974,676
(b) Operating Expenses and Equipment -----	196,350
Total of schedule-----	1,171,026
Less: Estimated reimbursements:	
(c) For services to other agen- cies and other funds -----	7,876
(d) Estimated student fees ap- propriated by Education Code, Section 20344-----	72,626
(e) From Federal Government for education of veterans, appropriated by Education Code, Section 20252-----	4,683
Net appropriation -----	1,085,841

	Item	Amount
Long Beach	84—For support of Long Beach State College, in accordance with the following schedule----- and in addition thereto the amount of such reimbursements for services to other agencies, or other funds, such receipts from the Federal Government for the education of veterans and such student fees as may otherwise be made available by law for support of said college. Schedule: (a) Salaries and Wages ----- 1,697,996 (b) Operating Expenses and Equipment ----- 330,967 Total of schedule ----- 2,028,963 Less: Estimated reimbursements: (c) For services to other agencies and other funds ----- 3,500 (d) Estimated student fees appropriated by Education Code, Section 20344 ----- 272,604 (e) Estimated receipts from Federal Government for education of veterans, appropriated by Education Code, Section 20252 ----- 13,119 Net appropriation ----- 1,739,740	1,739,740
Los Angeles	85—For support of Los Angeles State College of Applied Arts and Sciences, in accordance with the following schedule----- and in addition thereto such reimbursements for services to other agencies and other funds, such receipts from the Federal Government for the education of veterans and such student fees as may otherwise be made available by law for support of said college Schedule: (a) Salaries and Wages ----- 2,227,391 (b) Operating Expenses and Equipment ----- 935,404 Total of schedule ----- 3,162,795 Less: Estimated reimbursements: (c) For services to Los Angeles Junior College ----- 18,930 (d) Estimated student fees appropriated by Education Code, Section 20344 ----- 420,535 (e) Estimated receipts from Federal Government for education of veterans, appro-	2,696,206

Item	Amount	
appropriated by Education Code, Section 20252 -----	27,124	
Net appropriation -----	2,696,206	
86—For support of Sacramento State College, in accordance with the following schedule----- and in addition thereto the amount of such reimbursements for services to other agencies, or other funds, such receipts from the Federal Government for the education of veterans and such student fees as may otherwise be made available by law for support of said college. Schedule:	1,620,005	Sacramento
(a) Salaries and Wages -----	1,573,483	
(b) Operating Expenses and Equipment ---	283,363	
Total of schedule. ---	1,856,846	
Less: Estimated reimbursements:		
(c) Estimated student fees ap- propriated by Education Code, Section 20344 -----	220,579	
(d) Estimated receipts from Fed- eral Government for educa- tion of veterans, appropri- ated by Education Code, Section 20252 -----	12,302	
(e) For services to other agen- cies and other funds ---	3,960	
Net appropriation -----	1,620,005	
87—For support of San Diego State College, in accordance with the following schedule --- and in addition thereto the amount of such reimbursements for services to other funds, such receipts from the Federal Government for the education of veterans and such stu- dent fees as may otherwise be made available by law for support of said college. Schedule:	2,815,040	San Diego
(a) Salaries and Wages -----	2,848,251	
(b) Operating Expenses and Equipment -----	438 437	
Total of schedule ---	3,286,688	
Less: Estimated reimbursements:		
(c) For services to other funds	3,756	
(d) Estimated student fees ap- propriated by Education Code, Section 20344 -----	436,802	

Item	Amount
(e) Estimated receipts from Federal Government for education of veterans, appropriated by Education Code, Section 20252 -----	31,090
Net appropriation -----	2,815,040
San Francisco	88—For support of San Francisco State College, in accordance with the following schedule____ 3,110,648 and in addition thereto the amount of such reimbursements for services to other agencies and other funds, such receipts from the Federal Government for the education of veterans and such student fees as may otherwise be made available by law for support of said college.
Schedule:	
(a) Salaries and Wages-----	3,204,741
(b) Operating Expenses and Equipment -----	558,074
Total of schedule-----	3,762,815
Less: Estimated reimbursements:	
(c) For services to other agencies and other funds-----	49,171
(d) Estimated student fees appropriated by Education Code, Section 20344-----	582,976
(e) Estimated receipts from Federal Government for education of veterans, appropriated by Education Code, Section 20252 -----	20,020
Net appropriation -----	3,110,648
San Jose	89—For support of San Jose State College, in accordance with the following schedule----- 4,232,613 and in addition thereto the amount of such reimbursements for services, such receipts from the Federal Government for the education of veterans, and such student fees as may otherwise be made available by law for support of said college.
Schedule:	
(a) Salaries and Wages-----	4,201,925
(b) Operating Expenses and Equipment -----	694,417
Total of schedule-----	4,896,342

Item	Amount
Less: Estimated reimbursements:	
(c) For sale of materials for student projects -----	4,500
(d) Estimated student fees appropriated by Education Code, Section 20344-----	636,467
(e) Estimated receipts from Federal Government for education of veterans, appropriated by Education Code, Section 20252 -----	22,762
Net appropriation -----	4,232,613
90—For support, California State Polytechnic College, payable from any moneys in the Fair and Exposition Fund available to said school under the provisions of Section 19626 of the Business and Professions Code-----	3,089,631
and in addition thereto any amounts collected for services to other agencies and to activities supported out of other funds, services to employees, and from sale of surplus products as may otherwise be made available by law for support of said school. Said appropriation, together with such receipts from the Federal Government for the education of veterans and such student fees as are appropriated by the Education Code for support of said school, shall be expended in accordance with the following schedule.	
Schedule:	
(a) Salaries and Wages-----	2,741,371
(b) Operating Expenses and Equipment -----	674,858
Total of schedule-----	3,416,229
Less: Estimated reimbursements:	
(c) For services to employees, to activities supported from other funds and to other agencies, and from sale of surplus products -----	118,469
(d) Estimated student fees appropriated by Education Code, Section 20344-----	180,646
(e) Estimated receipts from Federal Government for education of veterans, appropriated by Education Code, Section 20252 -----	27,483
Net appropriation -----	3,089,631

California
State Poly-
technic

Item	Amount	
Schedule:		
(a) Salaries and Wages-----	388,913	
(b) Operating Expenses and Equipment -----	112,785	
Total of schedule-----	501,698	
Less: Estimated reimbursements:		
(c) For services to students, em- ployees, and other agencies--	31,838	
Net appropriation -----	469,860	
93—For support of California School for the Deaf, Berkeley, in accordance with the fol- lowing schedule -----	1,062,870	School for Deaf
and in addition thereto any amounts collected for services to employees, other agencies, counties and students, which by law are avail- able for support of said school.		
Schedule:		
(a) Salaries and Wages-----	852,803	
(b) Operating Expenses and Equipment -----	258,214	
Total of schedule-----	1,111,017	
Less: Estimated reimbursements:		
(c) For services to employees, other agencies, counties and students -----	48,147	
Net appropriation -----	1,062,870	
94—For support of California School for the Deaf, Riverside, in accordance with the following schedule -----	862,818	
and in addition thereto any amounts collected for services to employees and for services to other agencies, counties and students, which by law are available for support of said school.		
Schedule:		
(a) Salaries and Wages-----	707,844	
(b) Operating Expenses and Equipment -----	177,769	
Total of schedule-----	885,613	
Less: Estimated reimbursements:		
(c) For services to employees, other agencies, counties and students -----	22,795	
Net appropriation -----	862,818	

	Item	Amount
Cerebral Palsied Children Northern California	95—For support of School for Cerebral Palsied Children, Northern California, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees, and for services to other agencies, which by law are available for the support of said school. Schedule: (a) Salaries and Wages----- 257,729 (b) Operating Expenses and Equipment ----- 74,564 Total of schedule----- 332,293 Less: Estimated reimbursements: (c) For services to employees and other agencies----- 7,490 Net appropriation ----- 324,803	324,803
Southern California	96—For support of School for Cerebral Palsied Children, Southern California, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees, and for services to other agencies, which by law are available for the support of said school. Schedule: (a) Salaries and Wages----- 227,929 (b) Operating Expenses and Equipment ----- 106,744 Total of schedule----- 334,673 Less: Estimated reimbursements: (c) For services to employees and other agencies----- 4,850 Net appropriation ----- 329,823	329,823
Oakland Orientation Center	97—For support of Oakland Orientation Center, in accordance with the following schedule---- and in addition thereto any amounts collected for services to employees and other agencies, which by law are available for support of said agency. Schedule: (a) Salaries and Wages----- 209,418 (b) Operating Expenses and Equipment ----- 88,071 Total of schedule----- 297,489 Less: Estimated reimbursements: (c) For services to employees and other agencies----- 24,905 Net appropriation ----- 272,584	272,584

Item	Amount	
98—For support of Los Angeles Center, California Industries for the Blind, in accordance with the following schedule-----	118,375	Industries for Blind Centers Los Angeles
Schedule:		
(a) Salaries and Wages -----	90,993	
(b) Operating Expenses and Equipment -----	27,382	
Total of schedule-----	118,375	
99—For support of Oakland Center, California Industries for the Blind, in accordance with the following schedule-----	90,408	Oakland
and in addition thereto any reimbursements for services to other agencies which by law are available for support of said agency.		
Schedule:		
(a) Salaries and Wages-----	53,392	
(b) Operating Expenses and Equipment -----	37,885	
Total of schedule-----	91,277	
Less: Estimated reimbursements:		
(c) For services to other agencies -----	869	
Net appropriation -----	90,408	
100—For support of San Diego Center, California Industries for the Blind, in accordance with the following schedule-----	51,310	San Diego
Schedule:		
(a) Salaries and Wages -----	38,291	
(b) Operating Expenses and Equipment -----	13,019	
Total of schedule-----	51,310	
101—For support of State Teachers' Retirement System, in accordance with the following schedule-----	171,514	Teachers' Retirement System
Schedule:		
(a) Salaries and Wages -----	132,942	
(b) Operating Expenses and Equipment -----	38,572	
Total of schedule-----	171,514	
102—For support of University of California, exempt from Section 23 of this act-----	59,128,352	University of California
103—For air pollution research, University of California, exempt from Section 23 of this act	199,800	Air pollution research
103.5—For research in the field of public accounting, University of California, payable from the Accountancy Fund, to be expended during the period July 1, 1955, to June 30, 1958,		Public accounting research

	Item	Amount
	exempt from the provisions of Section 23 of this act; provided, however, that not more than \$30,000 may be expended during the Fiscal Year 1955-56-----	90,000
Nematode control research	104—For nematode control research, University of California, payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code, exempt from Section 23 of this act-----	80,000
Khapra beetle research	104.5—For Khapra beetle research, University of California, payable from any moneys in the Fair and Exposition Fund available for capital outlay purposes under paragraph (c) of Section 19626 of the Business and Professions Code, exempt from Section 23 of this act-----	42,000
Hastings College of Law	105—For support of Hastings College of Law, exempt from Section 23 of this act-----	49,000

FISCAL AFFAIRS

Board of Control	106—For support of State Board of Control, in accordance with the following schedule-----	23,458
	Schedule:	
	(a) Salaries and Wages-----	10,582
	(b) Operating Expenses and Equipment-----	12,876
	Total of schedule-----	23,458
Controller	107—For support of State Controller-----	2,336,619
	and in addition thereto any amounts collected for services to other programs or other funds, which by law are available for support of said officer, shall be expended in accordance with the following schedule.	
	Schedule:	
	(a) Salaries and Wages-----	1,810,120
	(b) Operating Expenses and Equipment-----	604,099
	Total of schedule-----	2,414,219
	Less: Estimated reimbursements:	
	(c) For services rendered special programs for audit of appropriations for aid to local government, Item 111-----	15,385
	(d) Amount payable from appropriation for additional support, Item 112-----	41,094

Item	Amount	
(e) Amount payable from appropriation for additional support, Item 113-----	21,121	
Net appropriation -----	2,336,619	
108—For support of Tax Collection and Refund Division, State Controller, payable from the Motor Vehicle Transportation Tax Fund----	114,199	Tax Collection and Refund Division
109—For support of Bureau of Highway Accounts and Reports, and Tax Collection and Refund Division, State Controller, payable from the Motor Vehicle Fuel Fund. The appropriation made by this item, together with amounts appropriated by other items, shall be expended in accordance with the following schedule--- Schedule:	453,780	Bureau of Highway Accounts and Tax Collection and Refund Division
(a) Salaries and Wages-----	420,689	
(b) Operating Expenses and Equipment -----	162,447	
Total of schedule-----	583,136	
Less: Estimated reimbursements:		
(c) Amount payable from the General Fund, Item 107----	15,157	
(d) Amount payable from the Motor Vehicle Transportation Tax Fund, Item 108---	114,199	
Net appropriation -----	453,780	
110—For support of Tax-deeded Lands Division, State Controller, payable from the State Redemption Tax Fund, in accordance with the following schedule ----- and in addition thereto any amounts appropriated by other items and any amounts collected for services which by law are available for support of such agency. Schedule:	171,112	Tax-deeded Lands Division
(a) Salaries and Wages-----	147,870	
(b) Operating Expenses and Equipment -----	46,450	
Total of schedule-----	194,320	
Less: Estimated reimbursements:		
(c) For services to political subdivisions -----	20,000	
(d) Amount payable from the Motor Vehicle Transportation Tax Fund, Item 108---	1,084	

Item	Amount
(e) Amount payable from the Motor Vehicle Fuel Fund, Item 109 -----	2,124
Net appropriation -----	171,112
Local gov- ernment aid under Cor- struction and Employ- ment Act	111—For audit of special appropriations for aid to local government under Chapter 47, Statutes of 1944, Fourth Extraordinary Session, and Chapter 20, Statutes of 1946, First Extraordi- nary Session, State Controller, payable from the Postwar Unemployment and Construction Fund -----
Controller	15,964
112—For additional support of State Controller, payable from the Public School Building Loan Fund -----	42,209
113—For additional support of State Controller, payable from the State School Building Aid Fund -----	21,121
Board of Equalization	114—For support of State Board of Equalization, in accordance with the following schedule--- and in addition thereto any amounts collected for services to activities supported out of other funds, for services to Department of Alcoholic Beverage Control, for services to public agencies, and for mapping services to counties which by law are available for sup- port of said department. Schedule: (a) Salaries and Wages----- (b) Operating Expenses and Equipment ----- Total of schedule----- Less: Estimated reimbursements: (c) For services to activities sup- ported out of other funds--- (d) For mapping services to counties ----- (e) For services to Department of Alcoholic Beverage Con- trol ----- (f) For services to other state and public agencies----- Net appropriation -----
10,816,774	9,865,296
1,661,058	11,526,354
350,420	170,000
172,000	17,160
10,816,774	115—For support of Division of Highway Taxes, State Board of Equalization, payable from the Motor Vehicle Transportation Tax Fund.. and in addition thereto any amounts collected for services to activities supported out of other funds. The appropriation made by this
Division of Highway Taxes	777,283

Item	Amount
item, together with the amounts appropriated by other items, shall be expended in accordance with the following schedule.	
Schedule:	
(a) Salaries and Wages.....	1,007,859
(b) Operating Expenses and Equipment	495,126
Total of schedule.....	1,502,985
Less: Estimated reimbursements:	
(c) Amount payable from appropriation for additional support, Item 116.....	21,645
(d) Amount payable from appropriation for additional support, Item 117.....	704,057
Net appropriation	777,283
116—For additional support of Division of Highway Taxes, State Board of Equalization, payable from the Itinerant Merchants Fund.....	21,645
117—For additional support of Division of Highway Taxes, State Board of Equalization, payable from the Motor Vehicle Fuel Fund.....	704,057
118—For support of Department of Finance..... and in addition thereto any amounts collected for services to other agencies, which by law are available for support of said department. Said appropriation, together with the amounts appropriated by other items, shall be expended in accordance with the following schedule.	5,850,471
Department of Finance	
Schedule:	
(a) Salaries and Wages.....	6,630,539
(b) Operating Expenses and Equipment	2,310,467
Total of schedule.....	8,941,006
Less: Estimated reimbursements:	
(c) For services to other agencies and divisions of said department	2,550,735
(d) Amount payable from Fair and Exposition Fund (Item 119)	72,500
(e) Amount payable from the Postwar Unemployment and Construction Fund (Item 120)	30,319
(f) Amount payable from the Public School Building Loan Fund (Item 121)	119,833

Item	Amount
(g) Amount payable from the State School Building Aid Fund (Item 122) -----	317,148
Net appropriation -----	5,850,471
Audits Division	
119—For support of the Audits Division, Department of Finance, payable from the Fair and Exposition Fund -----	72,500
120—For additional support of Department of Finance, payable from the Postwar Unemployment and Construction Fund -----	30,319
121—For additional support of Department of Finance, payable from the Public School Building Loan Fund -----	119,833
122—For additional support of Department of Finance, payable from the State School Building Aid Fund -----	317,148
123—For payment of automobile liability claims and salaries and expenses incident to investigation, adjustment and defense thereof, or for premiums for automobile liability insurance, Department of Finance, in accordance with the following schedule ----- and in addition thereto amounts collected from other funds which by law are available for purchase of such insurance.	223,596
Schedule:	
(a) Operating Expenses -----	450,000
Less: Estimated reimbursements:	
(b) Estimated charges to other funds -----	226,404
Net appropriation -----	223,596
124—For the purchase of insurance to insure the liability of the State and its officers and employees for damage or injury to persons or property resulting from the dangerous or defective condition of state-owned or -controlled property, under the jurisdiction of the Department of Finance, Department of Finance -----	2,500
Distribution of state documents	
125—For distribution of state documents to libraries as provided by Sections 13660 to 13667, inclusive, of the Government Code, Department of Finance -----	50,000
State burying ground	
126—For maintenance of the state burying ground in San Mateo County, known as the Union Cemetery, as provided by Chapter 1096 and Chapter 1238, Statutes of 1947, Department of Finance -----	2,000

Item	Amount	
127—For support of the Division of Fairs and Expositions, Department of Finance, payable from the Fair and Exposition Fund, in accordance with the following schedule----- and in addition thereto any amounts collected for services to district fairs which by law are available for support of said division. Schedule:	106,591	Division of Fairs and Expositions
(a) Salaries and Wages-----	88,701	
(b) Operating Expenses and Equipment -----	25,602	
Total of schedule-----	114,303	
Less: Estimated reimbursements:		
(c) For services to district fairs	7,712	
Net appropriation -----	106,591	
127.5—For customer surveys and research, state, district, and county fairs, Department of Finance, payable from any money in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code -----	15,000	Fairs Customer surveys and research
128—For support of California State Fair and Exposition, Division of Fairs and Expositions, Department of Finance, payable from the State Fair Fund-----	1,907,241	
129—For augmentation of the State Fair Fund, payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code ----- to be transferred to the State Fair Fund by the State Controller.	485,000	
130—For support of Sixth District Agricultural Association, Division of Fairs and Expositions, Department of Finance, payable from the Sixth District Agricultural Association Fund, in accordance with the following schedule ----- Schedule:	132,709	Sixth District Agricultural Association
(a) Salaries and Wages-----	109,732	
(b) Operating Expenses and Equipment -----	22,977	
Total of schedule-----	132,709	
131—For augmentation of the Sixth District Agricultural Association Fund, payable from any moneys in the Fair and Exposition Fund		

Item	Amount
available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code----- to be transferred to the Sixth District Agricultural Association Fund by the State Controller.	76,000
Division of State Lands 132—For support, Division of State Lands, State Lands Commission, Department of Finance, payable from the State Lands Act Fund, in accordance with the following schedule----- and in addition thereto any amounts collected for services which by law are available for support of said agency. Schedule: (a) Salaries and Wages----- (b) Operating Expenses and Equipment ----- Total of schedule----- Less: Estimated reimbursements: (c) For services to other agencies (d) For geophysical inspection services ----- Net appropriation -----	503,439
Tidelands leasing research 132.5—For research and investigation, tide and submerged land leasing, State Lands Commission, Division of State Lands, Department of Finance, payable from the State Lands Act Fund -----	75,000
Franchise Tax Board 133—For support of Franchise Tax Board, in accordance with the following schedule----- Schedule: (a) Salaries and Wages----- (b) Operating Expenses and Equipment ----- Total of schedule-----	4,505,262
State Treasurer 134—For support of the State Treasurer, in accordance with the following schedule----- and in addition thereto any amounts collected for services which by law are available for support of said agency. Schedule: (a) Salaries and Wages----- (b) Operating Expenses and Equipment ----- Total of schedule-----	303,937

Item	Amount
Less: Estimated reimbursements:	
(c) For bond collection services	
to other funds-----	18,500
Net appropriation -----	303,937

HIGHWAY PATROL

135—For support of the Department of the California Highway Patrol, payable from the Motor Vehicle Fund, in accordance with the following schedule -----	15,749,601	Highway Patrol
and in addition thereto any amounts collected for services which by law are available for support of said agency; provided, that no part of this appropriation shall be expended in payment for services of personnel assigned to enforce the provisions of the ordinances of any city or county; provided further, however, that this restriction shall not limit the authority of members of the California Highway Patrol to enforce any city or county ordinance as an incident to their assigned duties with respect to traffic law enforcement; provided further, that no expenditure shall be made from the appropriation made by this item in connection with the activities of the California Highway Patrol Auxiliary. Schedule:		
(a) Salaries and Wages-----	11,631,755	
(b) Operating Expenses and Equipment -----	4,233,891	
Total of schedule-----	15,865,646	
Less: Estimated reimbursements:		
(c) Rentals received from the Department of Motor Vehicles -----	9,920	
(d) Recovery of cost of administering pedestrian crossing guards program-----	51,000	
(e) Services to employees-----	3,650	
(f) Services to Governor's Office	15,000	
(g) Services to Lieutenant Governor's Office -----	6,000	
(h) Accident report fees-----	7,000	
(i) Payments for photographs--	1,100	
(j) Office of Civil Defense-----	11,500	
(k) Accident recoveries -----	10,000	
(l) Sale of information-----	875	
Net appropriation -----	15,749,601	

INDUSTRIAL RELATIONS

	Item	Amount
Department of Industrial Relations	136—For support of Department of Industrial Relations, in accordance with the following schedule -----	5,636,443
	and in addition thereto any amounts received from the Federal Government or any agency thereof for the administration of apprenticeship or other on-the-job training, and any miscellaneous reimbursements which by law are available for support of said agency.	
	Schedule:	
	(a) Salaries and Wages -----	
	(b) Operating Expenses and Equipment -----	
	Total of schedule -----	
	Less:	
	(c) Estimated amounts to be received from the Federal Government for administration of apprenticeship and other on-the-job training -----	
	(d) Miscellaneous reimbursements -----	
	Net appropriation -----	
State Fire Marshal	137—For payment of the additional compensation for subsequent injury provided for by Section 4751 of the Labor Code, Department of Industrial Relations -----	250,000
	138—For support of State Fire Marshal, in accordance with the following schedule -----	
	and in addition thereto any amounts collected for services to other agencies which by law are available for support of said agency.	
	Schedule:	
	(a) Salaries and Wages -----	
	(b) Operating Expenses and Equipment -----	
	Total of schedule -----	
	Less: Estimated reimbursements:	
	(c) Amount payable from Fair and Exposition Fund (Item 139) -----	
	(d) Amount payable from Division of Architecture Public Building Fund (Item 140) --	
	Net appropriation -----	

Item	Amount
139—For additional support of the State Fire Marshal, payable from any moneys in the Fair and Exposition Fund available for capital outlay purposes under paragraph (c) of Section 19626 of the Business and Professions Code -----	10,096
140—For additional support of the State Fire Marshal, payable from Division of Architecture Public Building Fund-----	54,477

JUSTICE

141—For support of Department of Justice-----	3,406,708	Department of Justice
and in addition thereto any amounts collected for services, which by law are available for support of said department. Said appropriation shall be expended in accordance with the following schedule.		
Schedule:		
(a) Salaries and Wages-----	2,979,121	
(b) Operating Expenses and Equipment -----	949,671	
Total of schedule-----	3,928,792	
Less: Estimated reimbursements:		
(c) Charges for services to special fund agencies-----	328,284	
(d) Charges to other agencies for teletype service-----	86,000	
(e) Services to other agencies---	107,800	
Net appropriation-----	3,406,708	
142—For fees to special counsel employed pursuant to Section 12520 of the Government Code, Department of Justice-----	2,500	
143—For litigation and legal services in connection with activities of the Colorado River Board of California, Department of Justice -----	348,269	

MENTAL HYGIENE

144—For support of Department of Mental Hygiene, in accordance with the following schedule -----	2,241,792	Department of Mental Hygiene
Schedule:		
(a) Salaries and Wages-----	1,774,438	
(b) Operating Expenses and Equipment -----	467,354	
Total of schedule -----	2,241,792	

Item	Amount
145—For transportation of patients and other persons committed to state institutions of the Department of Mental Hygiene, to be expended by the Department of Mental Hygiene, in accordance with the following schedule ----- and in addition thereto the amount of receipts from charges to relatives and other legally responsible persons as may be made available by law.	84,465
Schedule:	
(a) Operating Expenses -----	140,775
Less: Estimated reimbursements:	
(b) From charges to relatives and other legally responsible persons -----	56,310
Net appropriation -----	84,465
146—For expenses of deportation and transfer of patients of the Department of Mental Hygiene, Department of Mental Hygiene-----	95,500
Family care	
147—For family care of patients paroled or on leave of absence from state institutions of the Department of Mental Hygiene pursuant to Section 6726 and Section 7012.5 of the Welfare and Institutions Code, Department of Mental Hygiene -----	628,185
Outpatient clinics	
148—For support of Outpatient Mental Hygiene Clinics, Department of Mental Hygiene, in accordance with the following schedule----- and in addition thereto any amounts made available by the Federal Government for activities under the National Mental Health Act, which by law are available for support of said institution.	489,956
Schedule:	
(a) Salaries and Wages-----	490,865
(b) Operating Expenses and Equipment -----	138,101
Total of schedule-----	628,966
Less: Estimated reimbursements:	
(c) Estimated federal aid for activities under the National Mental Health Act---	139,010
Net appropriation-----	489,956
Langley Porter Clinic	
149—For support of the Langley Porter Clinic at San Francisco, in accordance with the following schedule -----	1,029,568

Item	Amount	
and in addition thereto any amounts collected for services to employees, which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages.....	864,379	
(b) Operating Expenses and Equipment	176,529	
Total of schedule.....	1,040,908	
Less: Estimated reimbursements:		
(c) For services to employees---	11,340	
Net appropriation.....	1,029,568	
150—For support of the Neuropsychiatric Institute at University of California, Los Angeles, Department of Mental Hygiene, in accordance with the following schedule.....	61,685	Neuropsychiatric Institute
Schedule:		
(a) Salaries and Wages.....	40,842	
(b) Operating Expenses and Equipment	20,843	
Total of schedule.....	61,685	
151—For support of Agnews State Hospital, in accordance with the following schedule.....	5,625,106	State hospitals Agnews
and in addition thereto any amounts collected for services to employees and from sale of surplus products, which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages.....	4,289,971	
(b) Operating Expenses and Equipment	1,420,447	
Total of schedule	5,710,418	
Less: Estimated reimbursements:		
(c) For services to employees and from sale of surplus products	85,312	
Net appropriation	5,625,106	
152—For support of Atascadero State Hospital, in accordance with the following schedule.....	1,818,816	Atascadero
and in addition thereto any amounts collected for services to employees which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages.....	1,364,696	
(b) Operating Expenses and Equipment	489,910	
Total of schedule.....	1,854,606	

Item	Amount
Less: Estimated reimbursements:	
(c) For services to employees----	35,790
	<hr/>
Net appropriation -----	1,818,816
Camarillo 153—For support of Camarillo State Hospital, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees and from sale of surplus products, which by law are available for support of said institution.	8,024,786
Schedule:	
(a) Salaries and Wages-----	5,977,334
(b) Operating Expenses and Equipment -----	2,204,189
	<hr/>
Total of schedule-----	8,181,523
Less: Estimated reimbursements:	
(c) For services to employees and from sale of surplus products -----	156,737
	<hr/>
Net appropriation -----	8,024,786
DeWitt 154—For support of DeWitt State Hospital, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees which by law are available for support of said institution.	3,811,516
Schedule:	
(a) Salaries and Wages-----	2,732,787
(b) Operating Expenses and Equipment -----	1,155,401
	<hr/>
Total of schedule-----	3,888,188
Less: Estimated reimbursements:	
(c) For services to employees----	76,672
	<hr/>
Net appropriation -----	3,811,516
Mendocino 155—For support of Mendocino State Hospital, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees and from sale of surplus products, which by law are available for support of said institution.	3,489,692
Schedule:	
(a) Salaries and Wages-----	2,609,443
(b) Operating Expenses and Equipment -----	962,540
	<hr/>
Total of schedule-----	3,571,983

Item	Amount	
Less: Estimated reimbursements:		
(c) For services to employees and from sale of surplus products -----	82,291	
Net appropriation -----	3,489,692	
156—For support of Metropolitan State Hospital, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees and from sale of sur- plus products, which by law are available for support of said institution.	3,261,083	Metropolitan
Schedule:		
(a) Salaries and Wages-----	2,571,360	
(b) Operating Expenses and Equipment -----	775,474	
Total of schedule -----	3,346,834	
Less: Estimated reimbursements:		
(c) For services to employees and from sale of surplus products -----	85,751	
Net appropriation -----	3,261,083	
157—For support of Modesto State Hospital, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees which by law are available for support of said institution.	4,493,894	Modesto
Schedule:		
(a) Salaries and Wages-----	3,301,242	
(b) Operating Expenses and Equipment -----	1,264,903	
Total of schedule -----	4,566,145	
Less: Estimated reimbursements:		
(c) For services to employees--	72,251	
Net appropriation -----	4,493,894	
158—For support of Napa State Hospital, in ac- cordance with the following schedule----- and in addition thereto any amounts collected for services to employees and from sale of sur- plus products, which by law are available for support of said institution.	6,432,870	Napa
Schedule:		
(a) Salaries and Wages-----	4,864,992	
(b) Operating Expenses and Equipment -----	1,676,172	
Total of schedule -----	6,541,164	

Item	Amount
Less: Estimated reimbursements: (c) For services to employees and from sale of surplus products 108,294	
Net appropriation ----- 6,432,870	
Patton 159—For support of Patton State Hospital, in accordance with the following schedule ----- 5,930,374 and in addition thereto any amounts collected for services to employees and from sale of sur- plus products, which by law are available for support of said institution.	
Schedule:	
(a) Salaries and Wages ----- 4,615,376	
(b) Operating Expenses and Equipment ----- 1,384,049	
Total of schedule ----- 5,999,425	
Less: Estimated reimbursements: (c) For services to employees and from sale of surplus products ----- 69,051	
Net appropriation ----- 5,930,374	
Stockton 160—For support of Stockton State Hospital, in accordance with the following schedule ----- 6,367,640 and in addition thereto any amounts collected for services to employees and from sale of sur- plus products, which by law are available for support of said institution.	
Schedule:	
(a) Salaries and Wages ----- 4,886,964	
(b) Operating Expenses and Equipment ----- 1,576,912	
Total of schedule ----- 6,463,876	
Less: Estimated reimbursements: (c) For services to employees and from sale of surplus products ----- 96,236	
Net appropriation ----- 6,367,640	
Pacific 161—For support of Pacific State Hospital, in ac- cordance with the following schedule ----- 4,146,089 and in addition thereto any amounts collected for services to employees and from sale of sur- plus products, which by law are available for support of said institution.	
Schedule:	
(a) Salaries and Wages ----- 3,131,253	
(b) Operating Expenses and Equipment ----- 1,087,873	
Total of schedule ----- 4,219,126	

Item	Amount	
Less: Estimated reimbursements:		
(c) For services to employees---	73,037	
Net appropriation -----	4,146,089	
162—For support of Porterville State Hospital, in accordance with the following schedule -----	3,260,607	Porterville
and in addition thereto any amounts collected for services to employees which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages -----	2,513,707	
(b) Operating Expenses and Equipment -----	789,091	
Total of schedule -----	3,302,798	
Less: Estimated reimbursements:		
(c) For services to employees---	42,191	
Net appropriation -----	3,260,607	
163—For support of Sonoma State Hospital, in accordance with the following schedule -----	5,243,928	Sonoma
and in addition thereto any amounts collected for services to employees, service to other agencies, and from sale of surplus products, which by law are available for support of said institution.		
Schedule:		
(a) Salaries and Wages -----	4,116,300	
(b) Operating Expenses and Equipment -----	1,206,723	
Total of schedule -----	5,323,023	
Less: Estimated reimbursements:		
(c) For services to employees, service to other agencies, and from sale of surplus products	79,095	
Net appropriation -----	5,243,928	
164—For support of Alcoholic Rehabilitation Commission, in accordance with the following schedule -----	204,213	Alcoholic Rehabilitation Commission
Schedule:		
(a) Salaries and Wages -----	29,571	
(b) Operating Expenses and Equipment -----	174,642	
Total of schedule -----	204,213	
Provided further, that the unencumbered balance on June 30, 1955, of the appropriation made by Chapter 22, Statutes of 1954 (First Extraordinary Session), shall be reverted to the General Fund.		

MILITARY AFFAIRS

	Item	Amount
Military Department	165—For support of the Military Department exclusive of the California Cadet Corps, in accordance with the following schedule-----	2,172,981
	and in addition thereto any amounts received from the United States Government for maintenance and operation of installations and for armory rental utility and custodial expense, which by law are available for support of said agency; provided, that no expenditures shall be made from this appropriation as a substitution for personnel, equipment, facilities or other assistance, or for any portion thereof, which in the absence of such expenditure, or of this appropriation, would be available to the Adjutant General, the California National Guard or the California National Guard Reserve from the Federal Government.	
	Schedule:	
	(a) Salaries and Wages-----	1,443,031
	(b) Operating Expenses and Equipment -----	1,005.113
	Total of schedule-----	2,448,144
	Less: Estimated reimbursements:	
	(c) From United States Government for maintenance and operation of installations --	263,663
	(d) From Armory Board for utility and custodial expense due to armory rental -----	11,500
	Net appropriation -----	2,172,981
Cadet Corps	166—For maintenance of California Cadet Corps, Military Department, in accordance with the following schedule -----	246,493
	Schedule:	
	(a) Salaries and Wages-----	92,557
	(b) Operating Expenses and Equipment -----	153,936
	Total of schedule -----	246,493

MOTOR VEHICLES

Department of Motor Vehicles	167—For support of Department of Motor Vehicles, payable from the Motor Vehicle Fund, in accordance with the following schedule----	13,526,023
	and in addition thereto any amounts collected for services which by law are available for support of said department.	

Item	Amount
Schedule:	
(a) Salaries and Wages.....	12,288,634
(b) Operating Expenses and Equipment	3,955,704
Total of schedule.....	16,244,338
Less: Estimated reimbursements:	
(c) For sale of registration lists ..	17,550
(d) Services to City and County of San Francisco	8,125
(e) Rentals received from other state departments	2,640
(f) Driver's license information service	90,000
(g) Amount payable from Motor Vehicle License Fee Fund (Item 168)	2,600,000
Net appropriation	13,526,023
167.5—For additional support, Department of Motor Vehicles	24,000
168—For additional support, Department of Motor Vehicles, payable from the Motor Vehicle License Fee Fund	2,600,000
to be transferred to the Motor Vehicle Fund in augmentation of Item 167, as provided by Section 11003 of the Revenue and Taxation Code.	
169—For payment of deficiencies in appropriations for the Department of Motor Vehicles which may be authorized by the Director of Finance, with the consent of the Governor, pursuant to Section 11006 of the Government Code, the sum of \$100,000, or so much thereof as may be necessary, payable from the Motor Vehicle Fund.	

NATURAL RESOURCES

170—For support of Department of Fish and Game, and for the maintenance and construc- tion of fish screens and other stream improve- ments, payable from the Fish and Game Preservation Fund, in accordance with the following schedule	Department of Fish and Game
and in addition thereto any amounts collected for services which by law are available for support of said department.	6,847,158

Item	Schedule:	Amount
	(a) Salaries and Wages.....	4,008,683
	(b) Operating Expenses and Equipment	3,231,121
	Total of schedule.....	7,239,804
	Less: Estimated reimbursements:	
	(c) For services to employees ..	71,200
	(d) For use of operating equipment	133,300
	(e) For services to State Water Pollution Control Board....	11,900
	(f) For services to Division of Water Resources	12,332
	(g) For services to private industry for seismic operations ..	39,000
	(h) For services to Wildlife Conservation Board.....	5,200
	(i) For services to the Federal Government in connection with cooperative projects ..	14,700
	(j) For services to the Federal Government for operation of Nimbus Hatchery	105,014
	Net appropriation	6,847,158
	171—For cooperation with the Federal Government in the purchase of land for game production, improvement of waterfowl areas and research in game management under the provisions of the Pittman-Robertson Act, Department of Fish and Game, payable from the Fish and Game Preservation Fund.....	254,071
	172—For cooperation with the Federal Government in fish restoration and management projects under provisions of the Dingell-Johnson Act, Department of Fish and Game, payable from the Fish and Game Preservation Fund.....	95,842
Pacific Marine Fisheries Commission	173—For State's share of the expenses of the Pacific Marine Fisheries Commission, in accordance with the Pacific Marine Fisheries Compact, Department of Fish and Game, payable from the Fish and Game Preservation Fund	17,600
Commercial fisheries research	174—For research in the development of commercial fisheries of the Pacific Ocean and of marine products, Marine Research Committee, payable from the Fish and Game Preservation Fund	73,790
Division of Administration	175—For support of Division of Administration, Department of Natural Resources, in accordance with the following schedule.....	272,838

Item

Amount

and in addition thereto any amounts collected for services to activities supported out of other funds which by law are available for support of said department.

Schedule:

(a) Salaries and Wages----- 342,751

(b) Operating Expenses and
Equipment ----- 46,022

Total of schedule----- 388,773

Less: Estimated reimbursements:

(c) For services to activities sup-
ported out of other funds-- 115,935

Net appropriation ----- 272,838

176—For Department of Natural Resources exhibit at State Fair, Division of Administration, Department of Natural Resources, payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code, in accordance with the following schedule-----
and in addition thereto any amounts collected for services to activities supported out of other funds which by law are available for support of said department.

3,400

Schedule:

(a) State Fair exhibits ----- 5,000

Less: Estimated reimbursements:

(b) For services to activities sup-
ported out of other funds--- 1,600

Net appropriation ----- 3,400

177—For support of Division of Beaches and Parks, Department of Natural Resources, payable from the State Park Maintenance Fund, in accordance with the following schedule-----
and in addition thereto any amounts collected for services which by law are available for support of said division.

Division of
Beaches
and Parks

740,792

Schedule:

(a) Salaries and Wages----- 2,156,580

(b) Operating Expenses and
Equipment ----- 999,741

Total of schedule----- 3,156,321

Less: Estimated reimbursements:

(c) For employees' maintenance 84,556

(d) For park services----- 19,791

Item	Amount
(e) Amount payable from the State Park Fund (Item 178)	1,540,781
(f) Amount payable from the State Beach Fund (Item 179)	770,401
Net appropriation -----	740,792
Upon executive order of the Director of Finance, there may be transferred to the State Park Maintenance Fund for credit to this item, any additional amounts appropriated or otherwise made available by law from the State Beach Fund or the State Park Fund for support or maintenance of this division for the 1954-55 Fiscal Year.	
178—For additional support of Division of Beaches and Parks, Department of Natural Resources, payable from the State Park Fund, to be transferred by the State Controller to the State Park Maintenance Fund for credit to Item 177 -----	1,540,781
179—For additional support of Division of Beaches and Parks, Department of Natural Resources, payable from the State Beach Fund, to be transferred by the State Controller to the State Park Maintenance Fund for credit to Item 177 -----	770,401
Division of Forestry 180—For support of Division of Forestry, Department of Natural Resources, in accordance with the following schedule ----- and in addition thereto any amounts collected for services to other agencies and to employees, and to counties under cooperative agreements and for fire protection and other services to the Federal Government, or any agency thereof, pursuant to contracts, which by law are available for support of said division.	9,539,034
Schedule :	
(a) Salaries and Wages -----	8,359,211
(b) Operating Expenses and Equipment -----	3,412,065
Total of schedule -----	11,771,276
Less: Estimated reimbursements:	
(c) For services to employees ---	446,353
(d) For services to counties under cooperative agree- ments -----	1,427,307
(e) For fire protection and other services to the Federal Gov- ernment, or any agency	

Item	Amount
thereof, pursuant to contracts -----	253,772
(f) For use of automotive equipment, Department of Youth Authority -----	1,480
(g) For subsistence of inmates, Department of Youth Authority -----	32,850
(h) For office rental and services, Department of Fish and Game -----	9,517
(i) For use of inmate labor, Division of Beaches and Parks -----	60,963
Net appropriation -----	9,539,034
181—For allotment pursuant to Section 4006 of the Public Resources Code for the prevention and suppression of forest fires on state responsibility lands within the counties shown below, Division of Forestry, Department of Natural Resources, in accordance with the following schedule -----	885,879
Schedule:	
(a) Contra Costa County -----	3,141
(b) Kern County -----	227,878
(c) Los Angeles County -----	295,549
(d) Marin County -----	73,122
(e) San Mateo County -----	75,461
(f) Santa Barbara County -----	104,219
(g) Ventura County -----	106,509
Total of schedule -----	885,879
182—For direct allotment to the United States Forest Service, for prevention and suppression of forest fires on private and state-owned lands located within and adjacent to the boundaries of United States National Forests within this State, Division of Forestry, Department of Natural Resources -----	771,376
provided, that with the approval of the Department of Finance, any amount appropriated by this item may be transferred to Item 180, for the estimated cost of protection of these lands by the Division of Forestry.	
183—For watershed research at the San Dimas Experimental Forest in cooperation with the California Forest and Range Experiment Station of the United States Department of Agriculture, Division of Forestry, Department of Natural Resources -----	24,000

Item	Amount
184—For white pine blister rust control on state and private lands, Division of Forestry, Department of Natural Resources; provided, that any amount expended from this item for the control of white pine blister rust on private lands must be matched by an expenditure of an equal amount from sources other than the appropriation made by this item. Control to be effected in accordance with Sections 4451 through 4459, Public Resources Code, and may be pursuant to an agreement which may provide for the advance of the State's contribution or any part thereof to the Federal Government-----	125,000
185—For emergency fire suppression and detection, Division of Forestry, Department of Natural Resources, which may be transferred to Item 180 upon executive order of the Director of Finance-----	320,000
186—For forest insect control, Division of Forestry, Department of Natural Resources, to be expended in accordance with Chapter 3 of Division 4 of the Public Resources Code-----	35,000
187—For wild land vegetation and soil mapping project in cooperation with the California Forest and Range Experiment Station of the United States Department of Agriculture and the University of California, Division of Forestry, Department of Natural Resources--	86,821
188—For direct allotment to the United States Weather Bureau, for forecasts of fire weather indices, and for research in fire weather index and modification data for areas containing state responsibility lands, Division of Forestry, Department of Natural Resources-----	10,000
<div data-bbox="140 1156 203 1190">Division of Mines</div> 189—For support of Division of Mines, Department of Natural Resources, in accordance with the following schedule ----- <div data-bbox="319 1267 873 1351"> <div>(a) Salaries and Wages----- 289,024</div> <div>(b) Operating Expenses and Equipment ----- 164,718</div> </div>	453,742
<div data-bbox="428 1378 873 1403">Total of schedule----- 453,742</div>	
<div data-bbox="140 1409 226 1443">Geological exploration</div> 190—For geological exploration in cooperation with United States Geological Survey, Division of Mines, Department of Natural Resources; provided, that any amount withdrawn from this item must be matched by an expenditure of a like amount by the Federal Government in this State for this purpose-----	35,000

Item	Amount	
191—For support of Division of Oil and Gas, Department of Natural Resources, payable from the Petroleum and Gas Fund, in accordance with the following schedule----- and in addition thereto any amounts collected for services to employees, which by law are available for support of said division. Schedule:	546,873	Division of Oil and Gas
(a) Salaries and Wages-----	408,610	
(b) Operating Expenses and Equipment-----	139,431	
Total of schedule-----	548,041	
Less: Estimated reimbursements:		
(c) For employees' rent and utilities-----	1,168	
Net appropriation-----	546,873	
192—For support of State Soil Conservation Commission, Department of Natural Resources, in accordance with the following schedule----- and in addition thereto any amounts collected for services to activities supported out of other funds which by law are available for support of said commission. Schedule:	64,843	Soil Conservation Commission
(a) Salaries and Wages-----	45,228	
(b) Operating Expenses and Equipment-----	21,973	
Total of schedule-----	67,201	
Less: Estimated reimbursements:		
(c) For services to Soil Conservation Equipment Revolving Fund-----	2,358	
Net appropriation-----	64,843	
193—For the State Soil Conservation Commission, Department of Natural Resources, payable from the Soil Conservation Equipment Revolving Fund, to be expended on a matching basis under cooperative agreement with the United States Soil Conservation Service for the operation of the nursery of the latter at Pleasanton-----	30,000	

PUBLIC HEALTH

194—For support of Department of Public Health and in addition thereto any amounts collected from sale of antigens, services to other agencies, amounts made available by the Federal		Department of Public Health
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Item	Amount
Government, or any agency thereof, as grants for public health purposes, and amounts contributed by organizations for public health purposes, which by law are available for support of said department. Said appropriation shall be expended in accordance with the following schedule-----	3,911,880
Schedule:	
(a) Salaries and Wages-----	4,295,785
(b) Operating Expenses and Equipment -----	1,528,852
Total of schedule-----	5,824,637
Less: Estimated reimbursements:	
(c) From sale of antigens-----	22,000
(d) For services to other agencies	341,214
(e) Estimated grants from the Federal Government or agencies thereof -----	1,549,543
Net appropriation -----	3,911,880
195—For additional support of Department of Public Health, to be transferred to Item 194 upon order of the Department of Finance-----	250,000
Tubercular patients 196—For care of recalcitrant tuberculous patients as provided by Section 3300.4 of the Health and Safety Code, Department of Public Health -----	43,800
Water pollution 197—For support of the State Water Pollution Control Board and the regional water pollution control boards, in accordance with the following schedule -----	385,890
Schedule:	
(a) Salaries and Wages-----	288,475
(b) Operating Expenses and Equipment -----	97,415
Total of schedule-----	385,890
198—For research, studies, and investigations relative to the technical phases of the control of water pollution, State Water Pollution Control Board -----	79,000
199—For studies, investigations, and services to be performed by other agencies including but not limited to the Department of Public Health, the Division of Water Resources, Department of Public Works, the Office of Civil Defense, and the Department of Fish and Game at the request of the State Water Pollution Control Board and regional water pollution control boards, State Water Pollution Control Board	72,075

PUBLIC WORKS

Item	Amount	
200—For pro rata support of Departmental Administration, Department of Public Works, in accordance with the following schedule----- and in addition thereto any amounts collected for services to activities supported out of other funds which by law are available for support of said department.	84,029	Department of Public Works
Schedule:		
(a) Salaries and Wages-----	248,045	
(b) Operating Expenses and Equipment-----	39,912	
Total of schedule-----	287,957	
Less: Estimated reimbursements:		
(c) For services to activities supported out of other funds--	203,928	
Net appropriation-----	84,029	
201—For support of Division of Architecture, Department of Public Works, and the State Building Standards Commission, in accordance with the following schedule----- and in addition thereto any amounts collected for services to activities supported out of other funds which by law are available for support of said division.	97,332	Division of Architecture
Schedule:		
(a) Salaries and Wages-----	99,594	
(b) Operating Expenses and Equipment-----	28,275	
Total of schedule-----	127,869	
Less: Estimated reimbursements:		
(c) Services to activities supported out of other funds--	19,550	
(d) Services to supervision of public school building construction-----	10,987	
Net appropriation-----	97,332	
202—For support of Division of Architecture, Department of Public Works, payable from the Division of Architecture Public Building Fund, in accordance with the following schedule-----	832,109	
Schedule:		
(a) Salaries and Wages-----	663,787	
(b) Operating Expenses and Equipment-----	168,322	
Total of schedule-----	832,109	

Division of Water Resources	Item	Amount
	203—For support of Division of Water Resources, Department of Public Works, including coop- erative work with other agencies ----- and in addition thereto any amounts collected for services to activities supported out of other funds which by law are available for support of said division and/or department. Said appropriation, together with the amount appropriated by Item 206 hereof, shall be expended in accordance with the following schedule.	1,953,508
	Schedule:	
	(a) Salaries and Wages ----- 1,590,220	
	(b) Operating Expenses and Equipment ----- 488,326	
	(c) Contributions to Watermas- ter Services ----- 44,369	
	Total of schedule ----- 2,122,915	
	Less: Estimated reimbursements:	
	(d) Estimated amount payable from State Watermaster Service Fund (Item 206) --- 40,549	
	(e) For services to activities sup- ported out of other funds -- 128,858	
	Net appropriation ----- 1,953,508	
	203.5—For additional support of Division of Water Resources, Department of Public Works, for a land use survey of all lands on West Walker River in California, including Antelope Val- ley, Little Antelope Valley, Slinkard Creek, and the various smaller upstream basins, which survey shall include measurements of water supply, diversions, crops grown, return flows, observation of water quality, necessary topographic and geologic reconnaissance sur- veys, determination of water requirements and present irrigated lands and ultimate de- velopment on the West Walker River in Cali- fornia, preliminary layout, design and cost estimates of works for the conservation and development of water to supply the needs of the West Walker River area in California, and the preparation and reproduction of a re- port setting out the results of the investiga- tion -----	10,000
	204—For work in cooperation with the Federal Government, Division of Water Resources, Department of Public Works, to be expended in accordance with the following schedule---	502,125

Item	Amount
Schedule:	
(a) Yuba River debris control---	15,000
(b) Topographic mapping -----	300,000
(c) Stream gaging -----	167,775
(d) Irrigation investigations ---	7,500
(e) Establishment of gaging stations -----	11,850
Total of schedule-----	502,125
Provided, that any amount withdrawn from this item must be matched by an expenditure of like amount by the Federal Government in this State for this purpose; and further provided, that the amount for item (a) in the above schedule, Yuba River debris control, shall be available subject to the provisions of Sections 2, 3, and 4 of Chapter 686, Statutes of 1935.	
205—For investigation of beach erosion, Division of Water Resources, Department of Public Works -----	15,000
205.5—For surveys and investigations of the water resources of the Santa Margarita Watershed including but not limited to hydrography, hydroeconomies, the use and distribution of water for agricultural and other beneficial purposes, including consideration of both surface and underground water conditions, and the availability of natural situations for reservoirs or reservoir systems for gathering and distributing flood or other waters, Division of Water Resources, Department of Public Works -----	25,000
206—For additional support of the Division of Water Resources, Department of Public Works, payable from the State Watermaster Service Fund -----	40,549
which sum shall be augmented by the transfer made from the General Fund in accordance with the provisions of Section 4360 of the Water Code.	
207—For support of the California Aeronautics Commission, in accordance with the following schedule -----	48,038
and in addition thereto any amounts collected for rentals, which by law are available for support of said commission.	

California
Aeronautics
Commission

Item	Amount
Schedule:	
(a) Salaries and Wages-----	34,599
(b) Operating Expenses and Equipment-----	13,439
Total of schedule-----	48,038
Boards Colorado River 208—For support of Colorado River Board of California, in accordance with the following schedule-----	198,332
Schedule:	
(a) Salaries and Wages-----	109,964
(b) Operating Expenses and Equipment-----	88,368
Total of schedule-----	198,332
Klamath River Commission 209—For support of the California Klamath River Commission-----	43,600
Reclamation 210—For support of Reclamation Board, in accordance with the following schedule-----	193,719
and in addition any amounts collected for charges for capital outlay projects, which by law are available for support of said board.	
Schedule:	
(a) Salaries and Wages-----	197,865
(b) Operating Expenses and Equipment-----	52,362
Total of schedule-----	250,227
Less: Estimated reimbursements:	
(c) Costs chargeable to capital outlay projects-----	56,508
Net appropriation-----	193,719
Water Resources 211—For support of the State Water Resources Board-----	73,319
212—For conducting water resources investigations, surveys, and studies, preparing plans and estimates, making reports thereon and otherwise performing all work and doing all things required relative thereto by provisions of the State Water Resources Act of 1945, State Water Resources Board-----	617,206
213—For minor investigations, studies, and reports on water resources, State Water Resources Board; provided, that any sums expended from this item shall be matched by a like amount from local agencies or other sources-----	27,750
Water Project Authority Research on San Francisco, etc., Bays barriers 214—For collection and filing of data and material from investigations and studies of the feasibility and economic value of construction by the State of a suitable barrier or barriers, and	

Item	Amount
public works incidental thereto, at several alternate locations across San Francisco Bay, San Pablo Bay, Suisun Bay, and the Sacramento-San Joaquin Delta pursuant to the provisions of Chapter 1104, Statutes of 1953, Water Project Authority-----	15,000
215—For collection and analysis of data on water supply, water utilization, water quality, and water rights; and for other necessary expenses related to the negotiation of an agreement concerning the diversion and use of the waters of the Sacramento River and the Sacramento-San Joaquin Delta, Water Project Authority -----	Sacramento River, etc., water use and diversion
216—For legal and engineering assistance in connection with current litigation, Water Project Authority -----	205,405
	Legal and engineering assistance
	18,825

REGULATION AND LICENSING

217—For support of the Department of Alcoholic Beverage Control, in accordance with the following schedule -----	2,717,142	Department of Alcoholic Beverage Control
and in addition thereto any amounts collected for services which by law are available for support of said agency.		
Schedule:		
(a) Salaries and Wages-----	2,140,351	
(b) Operating Expenses and Equipment -----	576,791	
Total of schedule-----	2,717,142	
218—For support of the Alcoholic Beverage Control Appeals Board, in accordance with the following schedule -----	82,672	Alcoholic Beverage Control Appeals Board
Schedule:		
(a) Salaries and Wages-----	70,172	
(b) Operating Expenses and Equipment -----	12,500	
Total of schedule-----	82,672	
219—For support of California Districts Securities Commission, in accordance with the following schedule -----	46,143	Districts Securities Commission
Schedule:		
(a) Salaries and Wages-----	35,033	
(b) Operating Expenses and Equipment -----	11,110	
Total of schedule-----	46,143	

	Item	Amount
Horse Racing Commission	220—For support of California Horse Racing Board, payable from the Fair and Exposition Fund, in accordance with the following schedule ----- Schedule: (a) Salaries and Wages ----- 87,777 (b) Operating Expenses and Equipment ----- 53,568 Total of schedule ----- 141,345	141,345
Department of Invest- ment Division of Banking	221—For support of Division of Banking, Department of Investment, payable from the State Banking Fund, in accordance with the following schedule ----- Schedule: (a) Salaries and Wages ----- 299,372 (b) Operating Expenses and Equipment ----- 83,325 Total of schedule ----- 382,697	382,697
Division of Corporations	222—For support of Division of Corporations, Department of Investment, in accordance with the following schedule ----- and in addition thereto any amounts collected for services, which by law are available for support of said division. Schedule: (a) Salaries and Wages ----- 761,741 (b) Operating Expenses and Equipment ----- 119,416 Total of schedule ----- 881,157 Less: Estimated reimbursements: (c) For costs of regulating loan institutions and check cashing facilities under the jurisdiction of the Corporation Commissioner ----- 145,511 Net appropriation ----- 735,646	735,646
Department of Insurance	223—For support of the Department of Insurance, payable from the Insurance Fund, in accordance with the following schedule ----- and in addition thereto any amounts collected for services to activities which by law are available for support of said department. Schedule: (a) Salaries and Wages ----- 1,131,139 (b) Operating Expenses and Equipment ----- 318,918 Total of schedule ----- 1,450,057	1,413,619

Item	Amount	
Less: Estimated reimbursements:		
(c) From insurance companies in liquidation -----	35,550	
(d) From Division of Real Es- tate for use of examination room -----	888	
Net appropriation-----	1,413,619	
224—For support of the Division of Real Estate, Department of Investment, payable from the Real Estate Fund, in accordance with the fol- lowing schedule -----	962,100	Division of Real Estate
Schedule:		
(a) Salaries and Wages-----	674,486	
(b) Operating Expenses and Equipment -----	287,614	
Total of schedule-----	962,100	
225—For support of Division of Savings and Loan, Department of Investment, payable from the Savings and Loan Inspection Fund, in ac- cordance with the following schedule----- and in addition thereto any amounts collected for services to activities which by law are available for support of said division.	273,366	Division of Savings and Loan
Schedule:		
(a) Salaries and Wages-----	217,661	
(b) Operating Expenses and Equipment -----	56,055	
Total of schedule-----	273,716	
Less: Estimated reimbursements:		
(c) For special services to sav- ings and loan associations---	350	
Net appropriation-----	273,366	
226—For support of Board of Osteopathic Exam- iners of the State of California, payable from the Contingent Fund of the Board of Osteo- pathic Examiners, in accordance with the fol- lowing schedule -----	47,987	Board of Osteopathic Examiners
Schedule:		
(a) Salaries and Wages-----	30,546	
(b) Operating Expenses and Equipment -----	17,441	
Total of schedule-----	47,987	
227—For support of the Board of Pilot Commis- sioners for the Bays of San Francisco, San Pablo and Suisun, payable from the Board of Pilot Commissioners' Special Fund, in ac- cordance with the following schedule-----	13,363	Board of Pilot Com- missioners San Fran- cisco , etc , Bays

Item		Amount
	Schedule:	
	(a) Salaries and Wages.....	11,573
	(b) Operating Expenses and Equipment	1,790
	Total of schedule.....	13,363
San Diego Harbor	227.1—For support of the Board of Pilot Commis- sioners for the Harbor of San Diego..... provided, however, that this appropriation shall not become available for expenditure unless Assembly Bill No. 3732 is enacted by the 1955 Session of the Legislature.	1,000
Division of Adminis- trative Procedure	228—For support of Division of Administrative Procedure, Department of Professional and Vocational Standards, in accordance with the following schedule	117,936
	and in addition thereto any amounts collected for services to other agencies, which by law are available for support of said division.	
	Schedule:	
	(a) Salaries and Wages.....	136,579
	(b) Operating Expenses and Equipment	56,417
	Total of schedule.....	192,996
	Less: Estimated reimbursements:	
	(c) From other agencies for hearing and other services..	75,060
	Net appropriation	117,936
State Boards Accountancy	229—For support of State Board of Accountancy, payable from the Accountancy Fund, in accordance with the following schedule.....	163,148
	Schedule:	
	(a) Salaries and Wages.....	54,684
	(b) Operating Expenses and Equipment	108,464
	Total of schedule.....	163,148
Architectural Examiners	230—For support of California State Board of Architectural Examiners, payable from the California State Board of Architectural Examiners Fund, in accordance with the following schedule	52,537
	Schedule:	
	(a) Salaries and Wages.....	33,923
	(b) Operating Expenses and Equipment	18,614
	Total of schedule.....	52,537

Item	Amount	
231—For support of State Athletic Commission, payable from the Athletic Commission Fund, in accordance with the following schedule— Schedule:	120,009	Athletic Commission
(a) Salaries and Wages.....	87,051	
(b) Operating Expenses and Equipment	32,958	
Total of schedule.....	120,009	
232—For support of State Board of Barber Examiners, payable from the State Board of Barber Examiners' Fund, in accordance with the following schedule	117,741	Barber Examiners
Schedule:		
(a) Salaries and Wages.....	72,794	
(b) Operating Expenses and Equipment	44,947	
Total of schedule.....	117,741	
233—For support of Cemetery Board, Department of Professional and Vocational Standards, payable from Cemetery Fund, in accordance with the following schedule.....	32,771	Cemetery Board
Schedule:		
(a) Salaries and Wages.....	16,364	
(b) Operating Expenses and Equipment	16,407	
Total of schedule.....	32,771	
234—For support of Board of Chiropractic Examiners, payable from the State Board of Chiropractic Examiners' Fund, in accordance with the following schedule.....	57,516	Chiropractic Examiners
Schedule:		
(a) Salaries and Wages.....	28,587	
(b) Operating Expenses and Equipment	28,929	
Total of schedule.....	57,516	
235—For support of State Board of Registration for Civil and Professional Engineers, payable from the Professional Engineers' Fund, in accordance with the following schedule.....	229,477	Registration for Civil and Professional Engineers
Schedule:		
(a) Salaries and Wages.....	144,108	
(b) Operating Expenses and Equipment	85,369	
Total of schedule.....	229,477	

	Item	Amount
Contractors' License	236—For support of Contractors' State License Board, payable from the Contractors' License Fund, in accordance with the following schedule -----	662,924
	Schedule:	
	(a) Salaries and Wages -----	424,543
	(b) Operating Expenses and Equipment -----	238,381
	Total of schedule -----	662,924
Cosmetology	237—For support of State Board of Cosmetology, payable from the Board of Cosmetology's Contingent Fund, in accordance with the following schedule -----	185,860
	Schedule:	
	(a) Salaries and Wages -----	113,479
	(b) Operating Expenses and Equipment -----	72,381
	Total of schedule -----	185,860
Dental Examiners	238—For support of Board of Dental Examiners of California, payable from the State Dentistry Fund, in accordance with the following schedule -----	86,456
	Schedule:	
	(a) Salaries and Wages -----	51,383
	(b) Operating Expenses and Equipment -----	35,073
	Total of schedule -----	86,456
Dry Cleaners	239—For support of State Board of Dry Cleaners, payable from the Dry Cleaners' Fund, in accordance with the following schedule -----	174,588
	Schedule:	
	(a) Salaries and Wages -----	107,191
	(b) Operating Expenses and Equipment -----	67,397
	Total of schedule -----	174,588
Funeral Directors and Embalmers	240—For support of State Board of Funeral Directors and Embalmers, payable from the State Funeral Directors and Embalmers Fund, in accordance with the following schedule -----	43,923
	Schedule:	
	(a) Salaries and Wages -----	24,756
	(b) Operating Expenses and Equipment -----	19,167
	Total of schedule -----	43,923

Item	Amount	
241—For support of Bureau of Furniture and Bedding Inspection, Department of Professional and Vocational Standards, payable from the Bureau of Furniture and Bedding Inspection Fund, in accordance with the following schedule -----	218,429	Furniture and Bedding Inspection
Schedule:		
(a) Salaries and Wages -----	152,896	
(b) Operating Expenses and Equipment -----	65,533	
Total of schedule -----	218,429	
242—For support of State Board of Guide Dogs for the Blind -----	863	Guide Dogs for the Blind
243—For support of California State Board of Landscape Architects, payable from the California State Board of Landscape Architects Fund, in accordance with the following schedule -----	12,703	
Schedule:		
(a) Salaries and Wages -----	5,518	
(b) Operating Expenses and Equipment -----	7,185	
Total of schedule -----	12,703	
244—For support of State Board of Medical Examiners, payable from the Contingent Fund of the Board of Medical Examiners, in accordance with the following schedule -----	231,637	Medical Examiners
Schedule:		
(a) Salaries and Wages -----	113,773	
(b) Operating Expenses and Equipment -----	117,864	
Total of schedule -----	231,637	
245—For additional support of the State Board of Medical Examiners, payable from the Contingent Fund of the Board of Medical Examiners from those moneys deposited under the provisions of Section 2614 of the Business and Professions Code, in accordance with the following schedule -----	9,242	
Schedule:		
(a) Salaries and Wages -----	4,646	
(b) Operating Expenses and Equipment -----	4,596	
Total of schedule -----	9,242	
246—For support of State Board of Medical Examiners, payable from the Physical Therapy Fund, in accordance with the following schedule -----	11,010	

Item	Schedule:	Amount
	(a) Salaries and Wages-----	6,902
	(b) Operating Expenses and Equipment -----	4,108
	Total of schedule-----	11,010
Nurse Examiners	247—For support of Board of Nurse Examiners of the State of California, payable from the Board of Nurse Examiners' Fund, in accord- ance with the following schedule -----	136,032
	Schedule:	
	(a) Salaries and Wages-----	82,498
	(b) Operating Expenses and Equipment -----	53,534
	Total of schedule-----	136,032
Optometry	248—For support of State Board of Optometry, payable from the State Optometry Fund, in accordance with the following schedule-----	34,756
	Schedule:	
	(a) Salaries and Wages-----	19,472
	(b) Operating Expenses and Equipment -----	15,284
	Total of schedule-----	34,756
Pharmacy	249—For support of California State Board of Pharmacy, payable from the Pharmacy Board Contingent Fund, in accordance with the following schedule -----	203,011
	Schedule:	
	(a) Salaries and Wages-----	122,261
	(b) Operating Expenses and Equipment -----	80,750
	Total of schedule-----	203,011
Bureau of Private Investigators and Adjusters	250—For support of Bureau of Private Investi- gators and Adjusters, Department of Profes- sional and Vocational Standards, payable from the Private Investigator and Adjuster Fund, in accordance with the following schedule -----	32,632
	Schedule:	
	(a) Salaries and Wages-----	17,164
	(b) Operating Expenses and Equipment -----	15,468
	Total of schedule-----	32,632
Certified Shorthand Reporters	251—For support of Certified Shorthand Reporters Board, payable from the Shorthand Re- porters' Fund, in accordance with the follow- ing schedule -----	13,634

Item		Amount
	Schedule:	
	(a) Salaries and Wages	7,144
	(b) Operating Expenses and Equipment	6,490
	Total of schedule	13,634
252—	For support of the Board of Social Work Examiners of the State of California, payable from the Registered Social Workers' Fund, in accordance with the following schedule	19,447
	Schedule:	
	(a) Salaries and Wages	11,338
	(b) Operating Expenses and Equipment	8,109
	Total of schedule	19,447
253—	For support of Structural Pest Control Board, payable from the Structural Pest Control Fund, in accordance with the following schedule	54,177
	Schedule:	
	(a) Salaries and Wages	27,486
	(b) Operating Expenses and Equipment	26,691
	Total of schedule	54,177
254—	For support of Board of Examiners in Veterinary Medicine, payable from the Board of Veterinary Examiners' Contingent Fund, in accordance with the following schedule	17,731
	Schedule:	
	(a) Salaries and Wages	7,765
	(b) Operating Expenses and Equipment	9,966
	Total of schedule	17,731
255—	For support of the Board of Vocational Nurse Examiners of the State of California, payable from the Vocational Nurse Examiners Fund, in accordance with the following schedule	40,102
	Schedule:	
	(a) Salaries and Wages	23,042
	(b) Operating Expenses and Equipment	17,060
	Total of schedule	40,102
256—	For support of Yacht and Ship Brokers Commission, payable from the Yacht and Ship Brokers Fund, in accordance with the following schedule	15,590

Item		Amount
	Schedule:	
	(a) Salaries and Wages -----	9,154
	(b) Operating Expenses and Equipment -----	6,436
	Total of schedule -----	15,590
Public Utilities Commission	257—For support of the Public Utilities Commission of the State of California, in accordance with the following schedule ----- and in addition thereto any amounts collected for services to activities supported out of other funds, and reporting service to litigants which by law are available for support of said commission.	2,038,823
	Schedule:	
	(a) Salaries and Wages -----	2,571,689
	(b) Operating Expenses and Equipment -----	358,231
	Total of schedule -----	2,929,920
	Less: Estimated reimbursements:	
	(c) Services to Transportation Rate Fund -----	839,097
	(d) Reporting service to litigants -----	52,000
	Net appropriation -----	2,038,823
	258—For additional support of the Public Utilities Commission of the State of California, payable from the Transportation Rate Fund, in accordance with the following schedule ----- and in addition thereto any amounts collected for reporting service to litigants which by law are available for support of said commission.	1,680,964
	Schedule:	
	(a) Salaries and Wages -----	610,699
	(b) Operating Expenses and Equipment -----	1,083,265
	Total of schedule -----	1,693,964
	Less: Estimated reimbursements:	
	(c) Reporting service to litigants -----	13,000
	Net appropriation -----	1,680,964

SOCIAL WELFARE

Department of Social Welfare	259—For support of Department of Social Welfare Such appropriation, together with any grants made available by the Federal Government for support of the Department of Social Welfare during the 1955-56 Fiscal Year, shall be expended in accordance with the following schedule.	2,154,737
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Item	Amount	
Schedule:		
(a) Salaries and Wages.....	2,375,030	
(b) Operating Expenses and Equipment	796,408	
Total of schedule.....	3,171,438	
Less: Estimated reimbursements:		
(c) Estimated amounts payable from federal grants.....	1,016,701	
Net appropriation	2,154,737	
260—For support of the Recreation Commission and the Director of Recreation, in accordance with the following schedule.....	88,363	Recreation Commission
Schedule:		
(a) Salaries and Wages.....	55,146	
(b) Operating Expenses and Equipment	33,217	
Total of schedule.....	88,363	
VETERANS AFFAIRS		
261—For support of Department of Veterans Af- fairs, in accordance with the following schedule	301,261	Department of Veterans Affairs
and in addition thereto any amounts collected for services to activities supported from other funds.		
Schedule:		
(a) Salaries and Wages.....	287,198	
(b) Operating Expenses and Equipment	85,383	
Total of schedule.....	372,581	
Less: Estimated reimbursements:		
(c) From Veterans' Dependents' Education Fund for admin- istrative services (Item 265)	20,300	
(d) From Farm and Home Building Fund of 1943 for administrative services	51,020	
Net appropriation	301,261	
262—For educational assistance to veterans, De- partment of Veterans Affairs, to be ex- pended under the provisions of Article 2 of Chapter 6 of Division 4 of the Military and Veterans Code	2,624,125	Educational assistance

Item	Amount
263—For veterans' claims and rights service, Department of Veterans Affairs, to be expended under the provisions of Section 699.5 of the Military and Veterans Code-----	574,000
264—For transfer to the Veterans' Dependents' Education Fund from the State Lands Act Fund in addition to the amount transferred pursuant to Section 898, Military and Veterans Code -----	218,805
265—For additional support of Department of Veterans Affairs, payable from the Veterans' Dependents' Education Fund----- to be transferred to the General Fund in augmentation of Item 261.	20,300
266—For educational assistance to veterans' dependents, Department of Veterans Affairs, payable from the Veterans' Dependents' Education Fund ----- to be expended under the provisions of Article 2 of Chapter 4 of Division 4 of the Military and Veterans Code.	288,000
Veterans' Home 267—For support of Veterans' Home of California and in addition thereto any grants received from the Federal Government and any amounts collected for services to employees, which by law are available for support of said home. Said appropriation shall be expended in accordance with the following schedule; provided, that none of the funds herein appropriated shall be expended for the payment of sick leave pay for member employees.	1,620,672
Schedule:	
(a) Salaries and Wages -----	2,223,914
(b) Operating Expenses and Equipment -----	944,699
Total of schedule-----	3,168,613
Less: Estimated reimbursements:	
(c) Estimated receipts from Federal Government -----	1,412,481
(d) From Athletic Commission Fund (Item 268)-----	65,000
(e) For services to employees and members, and Motor Vehicle Fuel Tax refunds-----	70,460
Net appropriation -----	1,620,672
268—For additional support of Veterans' Home of California, payable from the Athletic Commission Fund -----	65,000

Item	Amount
to be transferred in such amounts as the Department of Finance may authorize to the General Fund in augmentation of Item 267.	
269—For hospitalization and care of members, to be expended pursuant to Sections 1086.1 and 1086.2 of the Military and Veterans Code, and maintenance of physical facilities, Woman's Relief Corps Home-----	46,000

MISCELLANEOUS

270—For such proportion of the compensation benefits to state officers and employees as in each case the contribution out of the General Fund to the salary of such officer or employee, during the portion of the 1955-56 Fiscal Year prior to the date when the benefit becomes payable, bears to the total salary of such officer or employee during the same period, or for officers and employees of the State paid in whole or in part from the Vocational Education Fund; or for premiums on insurance therefor; or for transfer by the State Controller, in such amounts as the Department of Finance in writing may authorize to any appropriation for support or for other purposes payable from the General Fund, from the Vocational Education Fund from which the cost of such salary is payable. The State Compensation Insurance Fund may withdraw a revolving fund from the appropriation under the provisions of Article 5, Chapter 2, Part 2, Division 4, Title 2, of the Government Code upon the approval of the Department of Finance-----	980,000	Compensation benefits to state officers and employees
271—For refunding of payments of taxes, licenses, fees and other receipts which have been erroneously collected and deposited in the General Fund for the refund of which no other provision is made by law and for payment of prior judgments, liens or encumbrances pursuant to Section 12516, Government Code---	15,300	Refund of tax payments, etc
272—For claim of the Secretary of the State Board of Control, to be paid from the several funds, in accordance with the following schedule--- Schedule:	266,826	Claim of Secretary of Board of Control
(a) General Fund -----	192,552	
(b) Department of Agriculture Fund -----	2,050	
(c) Athletic Commission Fund --	29	
(d) State Board of Barber Examiners' Fund -----	29	

Item	Amount
(e) Cemetery Fund	29
(f) State Board of Chiropractic Examiners' Fund	29
(g) Contractor's License Fund	29
(h) Board of Cosmetology's Con- tingent Fund	29
(i) Dry Cleaners' Fund	29
(j) Department of Employment Contingent Fund	1,000
(k) Fish and Game Preservation Fund	14,334
(l) Flood Control Fund of 1946	8,500
(m) State Funeral Directors and Embalmers Fund	29
(n) Bureau of Furniture and Bedding Inspection Fund	29
(o) State Highway Fund	24,848
(p) State Lands Act Fund	178
(q) State Board of Landscape Architects Fund	29
(r) Contingent Fund of the Board of Medical Examiners	29
(s) Contingent Fund of the Board of Medical Examiners from those moneys deposited under the provisions of Sec- tion 2614 of the Business and Professions Code	29
(t) Motor Vehicle Fund	3,307
(u) Motor Vehicle Fuel Fund	11,683
(v) Motor Vehicles License Fee Fund	228
(w) Nurse Examiners' Fund	29
(x) State Optometry Fund	29
(y) Contingent Fund of the Board of Osteopathic Ex- aminers	40
(z) Physical Therapy Fund	91
(aa) Postwar Unemployment and Construction Fund	4,675
(bb) Private Investigator and Adjuster Fund	29
(cc) Professional Engineers' Fund	29
(dd) Shorthand Reporters' Fund	29
(ee) Board of Veterinary Exam- iners' Contingent Fund	29
(ff) Vocational Nurse Exam- iners' Fund	29
(gg) Division of Architecture Re- volving Fund	319

Item	Amount	
(hh) Professional and Vocational Standards Fund -----	29	
(ii) San Francisco Harbor Improvement Fund -----	86	
(jj) Social Welfare Federal Fund	705	
(kk) Unclaimed Property Fund--	102	
(ll) Unemployment Administration Fund -----	335	
(mm) Funds in possession of and under control of the 21st District Agricultural Association -----	1,213	
Total of schedule-----	266,826	
273—For augmentation of the State Printing Fund, to be transferred by the State Controller in such amounts and for such periods as the Director of Finance may authorize---	250,000	State Printing Fund
273.5—For augmentation of Purchasing Revolving Fund, to be transferred by the State Controller in such amounts and for such periods as the Director of Finance may authorize-----	266,000	Purchasing Revolving Fund
274—For augmentation of the Purchasing Revolving Fund, to be transferred by the State Controller in such amounts and at such times as funds are made available. Upon approval of the Board of Control, the State Controller shall transfer to this item from any appropriation made from the General Fund by the provisions of Section 2 of this act that part of such appropriation which is intended to be used and is available for the purchase or replacement of automobiles.		

PROVISION FOR SALARY INCREASES

275—For Salary Increase Fund to be allocated only on authorization of the Department of Finance to the several state offices, departments, boards, bureaus, commissions, the Regents of the University of California, and other state agencies, in augmentation of their respective appropriations for support or for other purposes, in such amounts as will make sufficient money available to be paid each state officer or employee in the state service whose compensation, or a portion thereof, is payable from the General Fund, the increase in compensation provided for in any increased salary range established during the 1954-55 or 1955-56 Fiscal Years by the Personnel Board	Salary Increase Fund
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Item	Amount
<p>or other salary-fixing authority with the approval of the Department of Finance-----</p>	11,306,480
<p>For state officers and employees whose compensation, or portion thereof, is payable from special funds, there is hereby appropriated from each special fund from which such officers and employees are paid an amount sufficient to provide increases in compensation for each such officer or employee in accordance with this item, which amount is to be made available by executive order of the Director of Finance in augmentation of their respective appropriations for support or for other purposes.</p>	
<p>Allocations to the University of California shall be made by the Department of Finance only upon certification by the executive officer of the State Personnel Board that proposed salary ranges are comparable to those granted civil service employees or are supported by the findings of a survey of wage rates in comparable employments. In making allocations to the University of California the department shall take into consideration any other university funds which are available or which could be made available by the regents for salary increases.</p>	
<p>Before the State Personnel Board or other administrative salary-fixing authority establishes any increased salary range during the 1955-56 Fiscal Year, a certification shall be obtained from the Director of Finance that sufficient money either is available in funds authorized for the agencies or may be made available from the appropriation in this item, to meet the cost of the increased salary range; provided, that, except for increases authorized under Section 18853 of the Government Code or by specific statute, increases in compensation provided by increased salary ranges established during the 1955-56 Fiscal Year by the Personnel Board for each state officer or employee in the state civil service whose compensation, or portion thereof, is payable from the General Fund shall not result in total annual salary increases of more than \$6,800,000. For purposes of determination of such annual cost, computations may be based upon the number of employees in such classes as of June 30, 1955, as reported by the State Personnel Board. Salary adjustments payable</p>	

Item

Amount

from funds other than the General Fund and salary adjustments fixed by other than the Personnel Board shall be limited so as to provide equitable treatment as to the foregoing limitation.

RESERVE FOR CONTINGENCIES

276—For Emergency Fund, to be expended only on written authorization of the Department of Finance for emergencies-----	Emergency Fund 1,000,000
In addition to said sum there is hereby appropriated from each special fund, exclusive of Motor Vehicle Fund and State Highway Fund, from which appropriations for support or for other purposes are made in this act, an amount or amounts necessary to meet emergencies; provided, that loans may be made from the Emergency Fund to state agencies which derive their support from sources other than the General Fund, upon such terms and conditions for repayment as may be prescribed by the Department of Finance and any sum so loaned shall, if ordered by the Department of Finance, be transferred by the Controller to the fund from which the support of the agency is derived. Emergencies within the meaning of this provision are hereby defined as contingencies for which no appropriation, or insufficient appropriation, has been made by law.	
276.5—For Price Increase Fund, to be allocated only on written authorization of the Department of Finance to the several state agencies in augmentation of their respective appropriations for support for the 1955-56 Fiscal Year, in such amounts as are necessary to meet cost increases when the purchase of butter is required by Section 656 of the Agricultural Code -----	Price Increase Fund 534,213

CAPITAL OUTLAY SECTION

AGRICULTURE

277—For acquisition of real property, Department of Agriculture, payable from the Capital Outlay and Savings Fund-----	Department of Agriculture 4,200
277.5—For acquisition of real property and major construction, improvements, and equipment for plant quarantine station, Department of	

Item	Amount
Agriculture, payable from the Capital Outlay and Savings Fund.....	149,600
278—For major construction, improvements and equipment, Department of Agriculture, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund— Schedule:	47,500
(a) Construct housing for not less than five (5) employees..	47,500
Total of schedule.....	47,500
278.5—For major construction, improvements, and equipment, Department of Agriculture, in accordance with the following schedule, payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code	5,984
Schedule:	
(a) Equip diagnostic laboratory_	5,984
Total of schedule.....	5,984
279—For minor construction, improvements, repairs, and equipment, Department of Agriculture, payable from the Capital Outlay and Savings Fund	4,820
Poultry Improvement Commission	
280—The appropriation made by Item 289.1, Budget Act of 1953, as amended by Section 6, Budget Act of 1954, is hereby reappropriated for the purpose set forth in said item and shall be available for expenditure until June 30, 1956.	
281—For minor construction, improvements, repairs and equipment, Poultry Improvement Commission, payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code	19,540
282—The appropriation made by Item 285, Budget Act of 1954, is hereby reappropriated for the purpose set forth in said item and shall be available for expenditure until June 30, 1956.	

CORRECTIONS

Department of Corrections Medical Facility	283—Notwithstanding the provisions of Section 16407.1 of the Government Code, the unexpended balance in the appropriation made by Item 290, Budget Act of 1953, shall re-
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Item	Amount
main available for expenditure until June 30, 1957.	
284—For minor construction, improvements, repairs and equipment, Medical Facility, Department of Corrections, payable from the Capital Outlay and Savings Fund-----	10,000
285—For minor construction, improvements, repairs and equipment, temporary facility, Department of Corrections, payable from the Capital Outlay and Savings Fund-----	124,000
286—For major construction, improvements and equipment, California Institution for Men, including Tehachapi Farm Branch, Department of Corrections, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-----	174,000
Schedule:	
(a) Construct industries building at Tehachapi Branch----	174,000
Total of schedule-----	174,000
287—For minor construction, improvements, repairs and equipment, California Institution for Men, including Tehachapi Farm Branch, Department of Corrections, payable from the Capital Outlay and Savings Fund-----	74,300
288—For major construction, improvements and equipment, State Prison at Folsom, Department of Corrections, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-----	69,130
Schedule:	
(a) Site development -----	69,130
Total of schedule-----	69,130
289—For minor construction, improvements, repairs and equipment, California State Prison at Folsom, Department of Corrections, payable from the Capital Outlay and Savings Fund-----	156,785
290—For major construction, improvements and equipment, State Prison at San Quentin, Department of Corrections, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-----	284,650
Schedule:	
(a) Construct industrial warehouse -----	231,400
(b) Additional security lighting -----	53,250
Total of schedule -----	284,650

	Item	Amount
Soledad	291—For minor construction, improvements, repairs and equipment, State Prison at San Quentin, Department of Corrections, payable from the Capital Outlay and Savings Fund...	102,570
	292—For major construction, improvements and equipment, State Prison at Soledad, Department of Corrections, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund.....	5,656,225
	Schedule:	
	(a) Construct cell buildings.....	5,592,900
	(b) Install water closets and lavatories in existing cells (first increment)	63,325
	Total of schedule.....	5,656,225
Deuel Vocational Institution	293—For minor construction, improvements, repairs and equipment, California State Prison at Soledad, Department of Corrections, payable from the Capital Outlay and Savings Fund	35,605
	294—For major construction, improvements and equipment, Deuel Vocational Institution, Department of Corrections, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund.....	238,900
	Schedule:	
	(a) Construct industries building	238,900
	Total of schedule.....	238,900
Institution for Women	295—For minor construction, improvements, repairs and equipment, Deuel Vocational Institution, Department of Corrections, payable from the Capital Outlay and Savings Fund...	9,460
	296—For major construction, improvements and equipment, California Institution for Women, Department of Corrections, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund.....	836,000
	Schedule:	
	(a) Construct inmate cottage....	560,000
	(b) Equip inmate cottage.....	54,000
	(c) Construct classroom building	210,000
	(d) Equip classroom building..	12,000
	Total of schedule.....	836,000
	296.5—For minor construction, improvements, repairs, and equipment, California Institution for Women, Department of Corrections, payable from the Capital Outlay and Savings Fund	2,655

YOUTH AUTHORITY

Item	Amount	
297—For acquisition of real property, Northern California Reception Center and Clinic, Department of the Youth Authority, to be expended under the provisions of the Property Acquisition Law, payable from the Capital Outlay and Savings Fund-----	14,200	Reception centers Northern California
298—For minor construction, improvements, repairs and equipment, Southern California Reception Center and Clinic, Department of the Youth Authority, payable from the Capital Outlay and Savings Fund-----	4,600	Southern California
299—For major construction, improvements, and equipment, Fricot Ranch School for Boys, Department of the Youth Authority, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund--	172,000	Fricot Ranch School
Schedule:		
(a) Construct segregation - administration building -----	165,000	
(b) Equip segregation-administration building -----	7,000	
Total of schedule-----	172,000	
300—For minor construction, improvements, repairs and equipment, Fricot Ranch School for Boys, Department of the Youth Authority, payable from the Capital Outlay and Savings Fund -----	6,145	
301—For major construction, improvements, repairs and equipment, Fred C. Nelles School for Boys, Department of the Youth Authority, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	857,400	Fred C Nelles School
Schedule:		
(a) Remodel cottage to provide two dormitories-----	163,800	
(b) Equip two dormitories-----	11,000	
(c) Construct admissions unit and control center -----	161,000	
(d) Equip admissions unit-control center -----	12,000	
(e) Construct powerhouse, laundry, and trades buildings--	411,600	
(f) Equip laundry, powerhouse, and trades buildings-----	20,000	
(g) Remodel bakery -----	44,500	
(h) Equip bakery -----	9,500	

Item	(i) Extend and reroute sewer facilities -----	24,000	Amount
	Total of schedule -----	857,400	
302—	For minor construction, improvements, repairs and equipment, Fred C. Nelles School for Boys, Department of the Youth Authority, payable from the Capital Outlay and Savings Fund -----		47,440
Paso Robles School	304—	For minor construction, improvements, repairs and equipment, Paso Robles School for Boys, Department of the Youth Authority, payable from the Capital Outlay and Savings Fund -----	6,000
Preston School of Industry	305—	For acquisition of real property, Preston School of Industry, Department of the Youth Authority, to be expended under the provisions of the Property Acquisition Law, payable from the Capital Outlay and Savings Fund -----	10,000
	306—	For major construction, improvements and equipment, Preston School of Industry, Department of the Youth Authority, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -- Schedule:	389,400
	(a)	Construct academic school addition -----	288,300
	(b)	Equip academic school addition -----	25,500
	(c)	Remodel dining room -----	73,600
	(d)	Equip dining room -----	2,000
		Total of schedule -----	389,400
307—	For minor construction, improvements, repairs and equipment, Preston School of Industry, Department of the Youth Authority, payable from the Capital Outlay and Savings Fund -----		27,000
Los Guilucos School	308—	For major construction, improvements and equipment, Los Guilucos School for Girls, Department of the Youth Authority, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -- Schedule:	41,200
	(a)	Construct residence -----	20,200
	(b)	Equip residence -----	4,000
	(c)	Construct dining room addition -----	14,000
	(d)	Equip dining room addition -----	3,000
		Total of schedule -----	41,200

Item	Amount
309—For minor construction, improvements, repairs and equipment, Los Guilucos School for Girls, Department of the Youth Authority, payable from the Capital Outlay and Savings Fund -----	25,900
310—For major construction, improvements, repairs and equipment, Ventura School for Girls, Department of the Youth Authority, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	Ventura School 92,500
Schedule:	
(a) Temporary rehabilitation and repairs to existing institution -----	50,000
(b) Construct classrooms -----	38,000
(c) Equip classrooms -----	4,500
Total of schedule -----	92,500

EDUCATION

310.5—For minor construction, improvements, repairs, and equipment, Department of Education, payable from the Capital Outlay and Savings Fund -----	113,200
311—For major construction, improvements and equipment, Chico State College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	State colleges Chico 949,500
Schedule:	
(a) Construct cafeteria -----	343,200
(b) Equip cafeteria -----	25,000
(c) Construct industrial arts building and convert existing building -----	581,300
Total of schedule -----	949,500
312—For minor construction, improvements, repairs and equipment, Chico State College, payable from the Capital Outlay and Savings Fund -----	36,706
313—For major construction, improvements and equipment, Fresno State College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund --	Fresno 1,336,300
Schedule:	
(a) Construct cafeteria -----	501,300
(b) Construct classroom building -----	835,000
Total of schedule -----	1,336,300

	Item	Amount
	314—For minor construction, improvements, repairs and equipment, Fresno State College, payable from the Capital Outlay and Savings Fund -----	18,200
	315—For minor construction, improvements, repairs and equipment, Fresno State College, payable from the State College Fund-----	93,301
Humboldt	316—For acquisition of real property, Humboldt State College, to be expended under the provisions of the Property Acquisition Law, payable from the Capital Outlay and Savings Fund -----	125,000
	317—For major construction, improvements and equipment, Humboldt State College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-- Schedule:	1,249,700
	(a) Construct wildlife facilities addition -----	62,900
	(b) Construct music building----	244,000
	(c) Construct art and home economics building -----	322,800
	(d) Construct men's physical education building -----	575,000
	(e) Equip men's physical education building -----	15,000
	(f) Construct air-gas mix plant and distribution system----	30,000
	Total of schedule-----	1,249,700
	318—For minor construction, improvements, repairs and equipment, Humboldt State College, payable from the Capital Outlay and Savings Fund -----	98,062
Long Beach	319—For major construction, improvements and equipment, Long Beach State College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-- Schedule:	1,601,400
	(a) Construct faculty office----	250,000
	(b) Equip faculty office-----	20,000
	(c) Construct music building----	504,000
	(d) Equip music building-----	100,000
	(e) Construct men's gymnasium	680,400
	(f) Site development -----	47,000
	Total of schedule-----	1,601,400
	320—For minor construction, improvements, repairs and equipment, Long Beach State College, payable from the Capital Outlay and Savings Fund -----	28,325

Item	Amount	
321—For major construction, improvements and equipment, Los Angeles State College of Applied Arts and Sciences, payable from the Capital Outlay and Savings Fund-----	2,150,000	Los Angeles
322—For major construction, improvements and equipment, Sacramento State College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund--	1,532,200	Sacramento
Schedule:		
(a) Construct life science building -----	721,400	
(b) Construct outdoor physical education facilities -----	173,000	
(c) Construct general classroom building -----	602,800	
(d) Equip general classroom building -----	35,000	
Total of schedule -----	1,532,200	
323—For minor construction, improvements, repairs and equipment, Sacramento State College, payable from the Capital Outlay and Savings Fund-----	25,000	San Diego
324—For major construction, improvements and equipment, San Diego State College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund--	2,810,200	
Schedule:		
(a) Site development -----	287,800	
(b) Construct classroom building -----	1,947,400	
(c) Construct cafeteria -----	575,000	
Total of schedule-----	2,810,200	
325—For minor construction, improvements, repairs and equipment, San Diego State College, payable from the Capital Outlay and Savings Fund -----	58,355	
326—For major construction, improvements and equipment, San Francisco State College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	1,483,700	San Francisco
Schedule:		
(a) Construct classroom building -----	1,223,700	
(b) Construct corporation yard-----	240,000	
(c) Equip corporation yard-----	20,000	
Total of schedule-----	1,483,700	
327—For minor construction, improvements, repairs and equipment, San Francisco State College, payable from the Capital Outlay and Savings Fund -----	31,550	

	Item	Amount
San Jose	328—For major construction, improvements and equipment, San Jose State College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund— Schedule:	1,283,700
	(a) Equip science building addition -----	500,000
	(b) Construct administration building -----	783,700
	Total of schedule -----	1,283,700
	329—For minor construction, improvements, repairs and equipment, San Jose State College, payable from the Capital Outlay and Savings Fund -----	69,268
Polytechnic	330—For major construction, improvements and equipment, California State Polytechnic College, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund ----- Schedule:	3,497,650
	(a) Construct engineering building at San Luis Obispo campus -----	1,410,500
	(b) Site development at San Luis Obispo campus -----	538,850
	(c) Construct physical education facilities at Kellogg campus -----	735,000
	(d) Construct cafeteria at Kellogg campus -----	441,100
	(e) Equip cafeteria at Kellogg campus -----	30,000
	(f) Construct agricultural production units at Kellogg campus -----	225,000
	(g) Rehabilitate buildings at San Luis Obispo campus -----	90,000
	(h) Equip rehabilitated buildings at San Luis Obispo campus -----	15,900
	(i) Partial street lighting -----	11,300
	Total of schedule -----	3,497,650
	331—For minor construction, improvements, repairs and equipment, California State Polytechnic College, payable from any moneys in the Fair and Exposition Fund available to said school under the provisions of Section 19626(a) of the Business and Professions Code -----	101,930

Item	Amount	
332—For major construction, improvements and equipment, California School for the Blind, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	304,700	School for Blind
Schedule:		
(a) Construct kitchen-dining building and commissary and convert existing kitchens and dining rooms to dormitories -----	294,700	
(b) Equip converted dormitories and new kitchen-dining room -----	10,000	
Total of schedule -----	304,700	
333—For minor construction, improvements, repairs and equipment, California School for the Blind, payable from the Capital Outlay and Savings Fund -----	11,000	
334—For minor construction, improvements, repairs and equipment, California School for the Deaf, Berkeley, payable from the Capital Outlay and Savings Fund -----	4,850	School for Deaf
335—For major construction, improvements and equipment, California School for the Deaf, Riverside, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	1,148,130	
Schedule:		
(a) Construct primary classroom buildings -----	295,100	
(b) Equip primary classroom buildings -----	25,500	
(c) Construct primary dormitories -----	405,400	
(d) Equip primary dormitories -----	27,000	
(e) Construct intermediate and advanced classroom buildings -----	112,700	
(f) Equip intermediate and advanced classroom buildings -----	11,900	
(g) Construct intermediate girls dormitory -----	128,400	
(h) Equip intermediate girls dormitory -----	7,930	
(i) Construct advanced boys dormitory -----	125,500	
(j) Equip advanced boys dormitory -----	8,700	
Total of schedule -----	1,148,130	

	Item	Amount
	336—For minor construction, improvements, repairs and equipment, California School for the Deaf, Riverside, payable from the Capital Outlay and Savings Fund-----	42,972
Industries for Blind Los Angeles Center	337—For minor construction, improvements, repairs and equipment, Los Angeles Center, California Industries for the Blind, payable from the Capital Outlay and Savings Fund--	625
Oakland Center	338—For minor construction, improvements, repairs and equipment, Oakland Center, California Industries for the Blind, payable from the Capital Outlay and Savings Fund-----	15,000
University of California	339—For major construction, improvements and equipment, University of California, exempt from Section 23 of this act, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-----	8,321,000
	Schedule:	
	(a) Preliminary plans-----	100,000
	(b) Prepare working drawings, plans, and specifications for office building—Berkeley---	145,000
	(c) Construct physical science and mathematics-statistics unit—Berkeley -----	1,270,000
	(d) Construct salt water system and experimental tanks—La Jolla -----	150,000
	(e) Construct library stacks addition—Los Angeles-----	750,000
	(f) Construct life sciences graduate instruction unit—Los Angeles -----	1,495,000
	(g) Construct engineering, physical science unit—Los Angeles -----	3,300,000
	(h) Provide initial complement of telescope equipment —Mt. Hamilton -----	41,000
	(i) Construct roads, walks and physical education field facilities—Riverside -----	150,000
	(j) Complete thirteenth floor, H. C. Moffitt Hospital—San Francisco -----	450,000
	(k) Construct utilities, roads and parking facilities—San Francisco -----	170,000
	(l) Construct utilities, roads and walks—Santa Barbara-----	300,000
	Total of schedule -----	8,321,000

Item	Amount
340—For minor construction, improvements, repairs and equipment, University of California, exempt from Section 23 of this act, payable from the Capital Outlay and Savings Fund--	397,000

FISCAL AFFAIRS

341—Notwithstanding the provisions of Section 16407.1 of the Government Code the unexpended balances in the appropriations made by Chapter 1104, Statutes of 1947, Chapter 1105, Statutes of 1947, and Chapter 1131, Statutes of 1947, shall remain available for expenditure until June 30, 1957.	State office buildings	
342—For major construction, improvements and equipment, Department of Finance, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-- Schedule:	Department of Finance	890,000
(a) Alterations and improvements, office building-----		890,000
Total of schedule-----		890,000
343—For minor construction, improvements, repairs and equipment, Department of Finance, payable from the Capital Outlay and Savings Fund-----		50,100
344—For major construction, improvements and equipment, California State Fair and Exposition, Division of Fairs and Expositions, Department of Finance, in accordance with the following schedule, payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code----- Schedule:	State Fair and Exposition	22,837
(a) Construct addition to cafeteria-----		22,837
Total of schedule-----		22,837
344.5—For major construction improvements and equipment, California State Fair and Exposition, Division of Fairs and Expositions, Department of Finance, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund----- Schedule:		200,000
(a) Preparation of preliminary plans, new State Fair site--		200,000
Total of schedule-----		200,000

	Item	Amount
	345—For minor construction, improvements, repairs and equipment, California State Fair and Exposition, Division of Fairs and Expositions, Department of Finance, payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code-----	243,760
Sixth District Agricultural Association	346—For minor construction, improvements, repairs and equipment, Sixth District Agricultural Association, Division of Fairs and Expositions, Department of Finance, payable from any moneys in the Fair and Exposition Fund available for capital outlay for fair purposes under paragraph (c) of Section 19626 of the Business and Professions Code--	26,750

HIGHWAY PATROL

Highway Patrol	347—For minor construction, improvements, repairs and equipment, Department of the California Highway Patrol, payable from the Motor Vehicle Fund -----	6,750
	347.1—For acquisition of real property, Department of the California Highway Patrol, to be expended under the provisions of the Property Acquisition Law, payable from the Motor Vehicle Fund -----	8,000
	347.2—For major construction, improvements and equipment, Department of the California Highway Patrol, in accordance with the following schedule, payable from the Motor Vehicle Fund -----	57,400
	Schedule:	
	(a) Construct office building—	
	Norwalk -----	57,400
	Total of schedule -- -- --	57,400

MENTAL HYGIENE

Langley Porter Clinic	349—For minor construction, improvements, repairs and equipment, Langley Porter Clinic, payable from the Capital Outlay and Savings Fund -----	44,050
University of California Neuropsychiatric Institution	350—For major construction, improvements and equipment, University of California, exempt from Section 23 of this act, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	5,340,000

Item

Amount

Schedule:

- (a) Construct addition to Medical Center at University of California at Los Angeles for a neuropsychiatric institute and to be operated in accordance with a cooperative agreement to be entered into between the Department of Mental Hygiene and the Regents of the University of California ----- 5,340,000

Total of schedule ----- 5,340,000

The money appropriated by this item shall not become available for expenditure until the Regents of the University of California have elected to comply with the provisions of Section 5 of this act with respect to the medical center mentioned in this item.

- 351—For major construction, improvements and equipment, Agnews State Hospital, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund... 3,978,450

State hospitals:
Agnews

Schedule:

- (a) Receiving and treatment building ----- 3,708,750
(b) Modernize bath and toilets in wards ----- 133,900
(c) Modernize kitchens and dining rooms in wards ----- 135,800

Total of schedule ----- 3,978,450

- 352—For minor construction, improvements, repairs and equipment, Agnews State Hospital, payable from the Capital Outlay and Savings Fund ----- 225,921

Atascadero

- 353—For minor construction, improvements, repairs and equipment, Atascadero State Hospital, payable from the Capital Outlay and Savings Fund ----- 27,835

Camarillo

- 354—For major construction, improvements and equipment, Camarillo State Hospital, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund... 47,200

Schedule:

- (a) Domestic water development 47,200

Total of schedule ----- 47,200

	Item	Amount
	355—For minor construction, improvements, repairs and equipment, Camarillo State Hospital, payable from the Capital Outlay and Savings Fund -----	244,210
DeWitt	356—For minor construction, improvements, repairs and equipment, DeWitt State Hospital, payable from the Capital Outlay and Savings Fund -----	156,071
Mendocino	357—For major construction, improvements and equipment, Mendocino State Hospital, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund--	590,700
	Schedule:	
	(a) Remodel maximum security ward -----	165,400
	(b) Equipment for maximum security ward -----	40,000
	(c) Construct addition to laundry -----	385,300
	Total of schedule -----	590,700
	358—For minor construction, improvements, repairs and equipment, Mendocino State Hospital, payable from the Capital Outlay and Savings Fund -----	125,930
Metropolitan	359—For major construction, improvements and equipment, Metropolitan State Hospital, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	317,280
	Schedule:	
	(a) Proportionate share of cost of Los Angeles County sanitation districts sewerage facilities -----	167,580
	(b) Construct additional storm drainage facilities -----	149,700
	Total of schedule -----	317,280
	360—For minor construction, improvements, repairs and equipment, Metropolitan State Hospital, payable from the Capital Outlay and Savings Fund -----	119,830
Modesto	361—For major construction, improvements and equipment, Modesto State Hospital, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund--	42,630
	Schedule:	
	(a) Construct gas line and remodel boiler plant -----	42,630
	Total of schedule -----	42,630

Item	Amount
362—For minor construction, improvements, repairs and equipment, Modesto State Hospital, payable from the Capital Outlay and Savings Fund -----	126,450
364—For minor construction, improvements, repairs and equipment, Napa State Hospital, payable from the Capital Outlay and Savings Fund -----	Napa 214,485
365—For major construction, improvements and equipment, Patton State Hospital, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund--	Patton 5,248,100
Schedule:	
(a) Construct two ward buildings -----	4,169,000
(b) Alteration and addition to kitchen building -----	737,100
(c) Construct gas line and remodel boiler plant-----	62,300
(d) Remodel old receiving and treatment building -----	163,500
(e) Remove tunnel, relocate utilities and demolish central raised mall excluding old administration building-----	91,200
(f) Install crossing light control or overhead pedestrian walk -----	25,000
Total of schedule -----	5,248,100
366—For minor construction, improvements, repairs and equipment, Patton State Hospital, payable from the Capital Outlay and Savings Fund -----	218,650
367—For minor construction, improvements, repairs and equipment, Stockton State Hospital, payable from the Capital Outlay and Savings Fund -----	Stockton 164,838
368—For major construction, improvements, repairs and equipment, Pacific State Hospital, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	Pacific 117,500
Schedule:	
(a) Modernize and repair two wards -----	111,500
(b) Equipment for two wards--	6,000
Total of schedule -----	117,500
369—For minor construction, improvements, repairs and equipment, Pacific State Hospital, payable from the Capital Outlay and Savings Fund -----	122,746

	Item	Amount
Porterville	370—For major construction, improvements and equipment, Porterville State Hospital, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund— Schedule:	153,300
	(a) Laundry expansion -----	118,300
	(b) Additional water supply---	35,000
	Total of schedule-----	153,300
	371—For minor construction, improvements, repairs and equipment, Porterville State Hospital, payable from the Capital Outlay and Savings Fund -----	17,642
Sonoma	372—For minor construction, improvements, repairs and equipment, Sonoma State Hospital, payable from the Capital Outlay and Savings Fund -----	117,025

MILITARY

Military Department	373—For acquisition of real property, Military Department, to be expended under the provisions of the Property Acquisition Law, payable from the Capital Outlay and Savings Fund--	5,500
	374—For major construction, improvement and equipment, Military Department, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-- Schedule:	75,000
	(a) Preparation of plans for and supervision of construction to be financed from federal funds -----	75,000
	Total of schedule-----	75,000
	375—For minor construction, improvements, repairs and equipment, Military Department, payable from the Capital Outlay and Savings Fund -----	12,900

MOTOR VEHICLES

Department of Motor Vehicles	376—For acquisition of real property, Department of Motor Vehicles, to be expended under the Provisions of the Property Acquisition Law, payable from the Motor Vehicle Fund -----	150,000
	377—For major construction, improvements and equipment, Department of Motor Vehicles, in accordance with the following schedule, payable from the Motor Vehicle Fund-----	562,000

Item	Amount
Schedule:	
(a) Construct office building—	
Oakland -----	409,000
(b) Construct warehouse—	
Los Angeles -----	148,000
(c) Plans and specifications office	
building—Hollywood -----	5,000
Total of schedule -----	562,000
378—For minor construction, improvements, re-	
pairs and equipment, Department of Motor	
Vehicles, payable from the Motor Vehicle	
Fund -----	14,000

NATURAL RESOURCES

379—For minor construction, improvements, re-		Department
pairs and equipment, Department of Fish and		of Fish and
Game, payable from the Fish and Game Pres-		Game
ervation Fund -----	79,705	
380—For improvement of that portion of Akard		
Street from Cypress to Locust Streets which		
abuts state-owned property in cooperation		
with the City of Redding, including grading		
and paving, Department of Fish and Game,		
payable from Fish and Game Preservation		
Fund -----	1,600	
381—For acquisition of parcels of land adjacent to		Division of
state beaches, Division of Beaches and Parks,		Beaches
Department of Natural Resources, in accord-		and Parks
ance with the following schedule, payable		
from the State Beach Fund -----	336,009	
Schedule:		
(a) Pacific Beach,		
San Diego County -----	41,009	
(b) Stinson Beach,		
Marin County -----	70,000	
(c) San Clemente Beach,		
Orange County -----	150,000	
(d) Seacliff Beach,		
Santa Cruz County -----	75,000	
Total of schedule -----	336,009	
382—For acquisition of parcels of land adjacent to		
state parks, Division of Beaches and Parks,		
Department of Natural Resources, in accord-		
ance with the following schedule, payable		
from the State Park Fund -----	455,000	

Item		Amount
	Schedule:	
	(a) Gold Discovery Site, El Dorado County-----	75,000
	(b) Humboldt Redwoods, Humboldt County -----	55,000
	(c) Prairie Creek, Humboldt County -----	50,000
	(d) Lower Colorado River, Pi- cacho area, Imperial County	100,000
	(e) Big Basin, Santa Cruz County-----	175,000
	Total of schedule-----	455,000
383—	For major construction, improvements and equipment, Division of Beaches and Parks, Department of Natural Resources, in accord- ance with the following schedule, payable from the State Beach Fund-----	568,325
	Schedule:	
	(a) El Capitan Beach State Park: Development -----	213,525
	(b) New Brighton Beach State Park: Sewage system plans-----	3,000
	(c) San Clemente Beach State Park: Roads and parking area-----	30,000
	(d) Silver Strand Beach State Park: Development -----	321,800
	Total of schedule-----	568,325
384—	For surveys, preparation of plans and other necessary expenses in connection with the de- velopment and acquisition of beach and park areas, Division of Beaches and Parks, De- partment of Natural Resources, payable from the State Beach Fund----- which may be transferred to the State Park Fund for reimbursement of Item 386 upon executive order of the Department of Fi- nance.	41,200
385—	For major construction, improvements and equipment, Division of Beaches and Parks, Department of Natural Resources, in accord- ance with the following schedule, payable from the State Park Fund-----	875,500
	Schedule:	
	(a) Big Basin Redwoods State Park: Roads and parking areas -----	52,000
	(b) Borrego State Park: Reservoir -----	30,000

Item	Amount	
(c) Cuyamaca Rancho State Park: Arroyo Seco Camp development -----	24,000	
(d) Emerald Bay State Park: Development -----	64,500	
(e) Fort Tejon State Historical Monument: Development----	92,000	
(f) George J. Hatfield State Park: Development -----	70,500	
(g) Humboldt Redwoods State Park: Eel River bank pro- tection -----	20,000	
Bull Creek road-----	40,000	
(h) Knowland State Arboretum and Park: Development----	73,000	
(i) McArthur-Burney Falls Me- morial State Park: Devel- opment -----	24,500	
(j) Portola State Park: Roads and parking areas-----	25,000	
(k) Richardson Grove State Park: Development -----	80,000	
(l) Salton Sea State Park: Development -----	80,000	
(m) Curry-Bidwell Bar State Park: Development -----	30,000	
(n) Lake Elsinore State Park: Development -----	150,000	
(o) Columbia Historic State Park: Extension of water and sewer systems -----	20,000	
Total of schedule-----	875,500	
385 5—For restoration of the Benicia State Capitol Historical Monument, Division of Beaches and Parks, Department of Natural Resources, payable from the State Park Fund-----	230,000	Benicia State Capitol Historical Monument
386—For surveys, preparation of plans and other necessary expenses in connection with the development and acquisition of beach and park areas, Division of Beaches and Parks, Department of Natural Resources, payable from the State Park Fund -----	103,000	Surveys, etc
Upon executive order of the Department of Finance, there may be transferred to the State Park Fund for reimbursement of this item any additional amounts appropriated or otherwise made available by law from the State Beach Fund for surveys, preparation of plans, and other necessary expenses in con- nection with the development and acquisition of beach and park areas.		

Item	Amount
387—For minor construction, improvements, repairs and equipment, Division of Beaches and Parks, Department of Natural Resources, payable from the State Beach Fund-----	66,525
388—For minor construction, improvements, repairs and equipment, Division of Beaches and Parks, Department of Natural Resources, payable from the State Park Fund-----	225,550
Division of Forestry	
389—For acquisition of real property, Division of Forestry, Department of Natural Resources, in accordance with the following schedule, to be expended under the provisions of the Property Acquisition Law, payable from the Capital Outlay and Savings Fund-----	14,000
Schedule:	
(a) Butte County Headquarters, addition to site-----	1,000
(b) Hilltop Fire Control Station, site -----	3,000
(c) Sites for fire suppression or detection facilities — state-wide -----	10,000
Total of schedule-----	
	14,000
Fire control stations, etc.	
390—For major construction, improvements and equipment, Division of Forestry, Department of Natural Resources, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-----	1,217,601
Schedule:	
1. Construction of Fire Control Stations:	
(a) Leggett Valley: Combination barracks and mess hall ----- Equipment -----	22,590 470
(b) San Simeon: Combination barracks and mess hall ----- Equipment -----	23,155 1,005
2. Forestry Honor Camps:	
(c) Construction (2) ----- Equipment (2) -----	873,243 182,364
(d) Parlin Fork Expansion: Construction ----- Equipment -----	24,315 2,545
3. Services:	
(e) Engineering, planning, and inspection -----	87,914
Total of schedule-----	
	1,217,601

Item	Amount	
390.5—For acquisition of site and major construction, improvements, and equipment to replace the Monticello Fire Control Station, to be located in the vicinity of Monticello Dam, Napa County, Division of Forestry, Department of Natural Resources, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund-----	82,331	Monticello Fire Control Station
Schedule:		
(a) Site acquisition -----	1,000	
(b) Construction -----	81,331	
Total of schedule -----	82,331	
provided, that any money received from the United States Bureau of Reclamation in payment for the present site, buildings or other facilities shall be deposited in the Capital Outlay and Savings Fund.		
391—For minor construction, improvements, repairs and equipment, Division of Forestry, Department of Natural Resources, payable from the Capital Outlay and Savings Fund--	123,140	
392—For acquisition of real property, Division of Oil and Gas, Department of Natural Resources, to be expended under the provisions of the Property Acquisition Law, payable from the Petroleum and Gas Fund-----	16,000	Division of Oil and Gas

PUBLIC WORKS

393—For minor construction, improvements, repairs and equipment, Division of Water Resources, Department of Public Works, payable from the Capital Outlay and Savings Fund -----	4,000	Division of Water Resources
394—For lands, rights of way, borrow pits, spoil areas and easements for levees and flood control works to be constructed or reconstructed by the United States within the Sacramento River Flood Control Project, and for incidental construction or reconstruction items which are an obligation of the State in the construction or reconstruction of said levees and flood control works, and for materials and necessary construction or reconstruction of, or alterations to, highways, bridges, power lines, pipelines and other structures or facilities, and for flowage rights over lands in overflow areas, Reclamation Board, payable from the Flood Control Fund of 1946-----	1,700,000	Sacramento River Flood Control Project

	Item	Amount
Reclamat on Board	395—For allocation to the State Water Resources Board for reallocation to the Reclamation Board for appraisals, surveys, and for acquisition of rights of way for the San Joaquin River Flood Control Project as authorized by Section 12651 of the Water Code, payable from the Flood Control Fund of 1946-----	300,000

VETERANS AFFAIRS

Veterans' Home	396—For major construction, improvements and equipment, Veterans' Home of California, in accordance with the following schedule, payable from the Capital Outlay and Savings Fund -----	585,400
	Schedule:	
	(a) Construct roads and grounds improvements -----	100,200
	(b) Construct recreation center (partial cost) -----	485,200
	Total of schedule -----	585,400
	397—For minor construction, improvements, repairs and equipment, Veterans' Home of California, payable from the Capital Outlay and Savings Fund -----	44,350

UNALLOCATED

	398—For preliminary plans, to be allocated by the Director of Finance, subject to approval by the State Public Works Board, to state agencies, payable from the Capital Outlay and Savings Fund -----	750,000
State public works projects	399—For construction and equipment of state public works projects in augmentation of current available appropriations for construction, improvement and equipment for state agencies, to be allocated by the Director of Finance upon approval of the State Public Works Board to and for expenditure upon any state public works project for which money is available, and which cannot be undertaken because bids received are in excess of the estimate or the amount available for such construction, or for equipment for any such project, payable from the Capital Outlay and Savings Fund -----	500,000
	and in addition, there is hereby appropriated from each special fund from which an appropriation is made for construction, improvements and equipment an amount sufficient to	

Item

Amount

provide for payment of public works projects for which money is available, and which cannot be undertaken because bids received are in excess of the estimate or the amount available for such construction.

And in addition any unexpended balance remaining in any appropriation or allotment from the Capital Outlay and Savings Fund for any completed project which the Director of Finance with the approval of the State Public Works Board determines not to be required for expenditure pursuant to the appropriation or allotment and approves for transfer to and augmentation of this item. Whenever it is determined that there will be an unexpended balance upon the completion of any project, the transfer of such balance may be made prior to the actual date of completion of the project.

400—For miscellaneous repairs, improvements and equipment, to be allocated by the Director of Finance upon the approval of the State Public Works Board, payable from the Capital Outlay and Savings Fund.....	Miscellaneous repairs, etc.	200,000
401—For transfer by the State Controller from the General Fund, from time to time during the 1955-56 Fiscal Year as the amount in the General Fund exceeds current needs, to the Capital Outlay and Savings Fund.....	Transfer from General Fund	13,666,591

LOCAL ASSISTANCE SECTION

EDUCATION

402—For transfer by the State Controller to the Teachers' Permanent Fund for operation of the State Teachers' Retirement System.....	Teachers' Retirement System	7,028,000
403—For transfer by the State Controller to the Retirement Annuity Fund for operation of the State Teachers' Retirement System.....		18,557,000
404—For publishing, purchasing, and shipping free textbooks, Department of Education, in accordance with the following schedule.....	Free textbooks	5,725,382
and in addition thereto any amounts collected for sale of textbooks and bulletins, which by law are available for support of said department.		
Schedule:		
(a) Salaries and Wages.....		50,506
(b) Operating Expenses and Equipment		5,705,842
Total of schedule.....		5,756,348

Item	Amount
Less: Estimated reimbursements:	
(c) For sale of textbooks and bulletins -----	30,966
Net appropriation -----	5,725,382
PUBLIC HEALTH	
Local health agencies, etc 405—For assistance to cities, counties, local health agencies and local health districts for the establishment of minimum standards of personnel, organization and administration of local health departments, in accordance with the provisions of Chapter 8, Part 2, Division 1 of the Health and Safety Code, Department of Public Health-----	3,234,896
Local health services 406—For assistance to counties by the establishment of local health services in accordance with Section 1157 of the Health and Safety Code, Department of Public Health-----	40,557
Tuberculosis sanatoria 407—For subsidies to counties, and cities and counties, for maintenance of tuberculosis sanatoria, Department of Public Health----- to be expended in accordance with Division 4 of the Health and Safety Code including an additional amount of thirty-five cents (\$0.35) per patient-day in accordance with Sections 3301.5(d) and 3301.6(d) of the Health and Safety Code.	5,249,514
Physically handicapped children 408—For assistance to counties, and cities and counties, to be expended for services to physically handicapped children, in accordance with provisions of Article 2 of Chapter 2 of Part 1 of Division 1 of the Health and Safety Code, Department of Public Health----- provided, that \$805,000 shall be for state-wide diagnoses; not to exceed \$50,000 shall be for state care of physically handicapped children whose county of residence cannot be established and the balance of this appropriation shall be made available to the several counties as follows:	3,888,674

(a) The State Department of Public Health shall allocate to each county and city and county an amount which, when added to the amount provided by the county or city and county pursuant to Section 270 of the Health and Safety Code, shall equal thirty-five cents (\$0.35) per capita of population of the county or city and county, determined as provided in Section 1101 of the Health and Safety Code,

Item

Amount

or shall equal the sum needed for the fiscal year as estimated by the State Department of Public Health and approved by the county or city and county not to exceed twenty thousand dollars (\$20,000), whichever is the greater. If the sum appropriated in this item exceeds the amount allocated to all counties and cities and counties pursuant to the preceding sentence and if the amount allocated to any county or city and county pursuant to the preceding sentence when added to the sum provided by the county or city and county pursuant to Section 270 of the Health and Safety Code, is less than the sum needed for the fiscal year as estimated by the State Department of Public Health and approved by the county or city and county, the State Department of Public Health may make available from such excess to the county or city and county an additional amount in the event the department finds there is an unusually high crippled children's case load in the county or city and county, not to exceed ten cents (\$0.10) per capita of population of the county or city and county.

(b) If the sum appropriated in this item exceeds the amount allocated to all counties and cities and counties pursuant to subsection (a) and if the amount allocated to any county or city and county pursuant to subsection (a) when added to the sum provided by the county or city and county pursuant to Section 270 of the Health and Safety Code, is less than the sum needed for the fiscal year as estimated by the State Department of Public Health and approved by the county or city and county, the State Department of Public Health may make available from such excess to the county or city and county an additional amount not to exceed twice any amount provided by the county or city and county in addition to that required by Section 270 of the Health and Safety Code.

(c) Expenditures made under this item to reimburse counties and cities and counties for the State's share of the cost of such services shall be charged to the fiscal year in which the county or city and county issues its warrant in payment of such services. Expenditures made under this item on behalf of counties or cities and counties for the cost of such services

	Item	Amount
	shall be charged to the year in which the warrant is issued by the State Controller.	
Treatment of cerebral palsy	409—For assistance to local agencies in the treatment of minors with cerebral palsy, Department of Public Health. Of the amount herein appropriated there may be expended so much as may be necessary by the Department of Public Health to furnish therapeutic services in those areas where it deems the local agencies are unable or not ready to employ personnel directly -----	634,998
Mosquito, etc., control	410—For subsidies to local districts and other public agencies for the control of mosquitoes, as provided by Chapter 5.5 of Division 3 of the Health and Safety Code, Department of Public Health; provided, that \$25,000 shall be available for research only-----	400,000
Construction of hospital facilities	411—For assistance to cities, counties, cities and counties, and local hospital districts in the construction of hospital facilities, Department of Public Health, to be expended under provisions of the California Hospital Survey and Construction Act----- and in addition thereto any amounts remaining unexpended on June 30, 1955, in the appropriation made by Item 382, Budget Act of 1954.	1,660,771

PUBLIC WORKS

Los Angeles County Flood Control District	412—For allocation to the State Water Resources Board for reallocation to the Los Angeles County Flood Control District for expenditure for payment, and for reimbursement for necessary advances made, of the cost of cooperation by the State in the construction of the project for the Los Angeles River Watershed program, adopted and authorized by Section 12688 of the Water Code, payable from the Flood Control Fund of 1946----- The allocation made by this item is subject to Sections 12829 and 12830 of the Water Code in the same manner as the allocations made by Sections 13 and 14 of the Flood Control Fund Act of 1946 are subject to Sections 12829 and 12830 of the Water Code, and are, to the extent of such allocations, in fulfillment of the policy set forth in Part 6, Division 6 of the Water Code, that the State will participate in the prosecution of the projects approved and authorized in said code by paying for	455,381
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Item

Amount

the cooperation which is required by the acts of Congress approving and authorizing the projects. The State Water Resources Board shall determine the amounts in which each of such reallocations shall be made. The allocation made by this item shall remain available for reallocation and expenditure until June 30, 1957.

- 413—For allocation to the State Water Resources Board for reallocation to the Los Angeles County Flood Control District for expenditure for payment, and for reimbursement for necessary advances made, of the cost of cooperation by the State in the construction of the project for control of floods on the Los Angeles and San Gabriel Rivers and Ballona Creek, adopted and authorized by Section 12682 of the Water Code, payable from the Flood Control Fund of 1946-----

925,000

The allocation made by this item is subject to Sections 12829 and 12830 of the Water Code in the same manner as the allocations made by Sections 13 and 14 of the Flood Control Fund Act of 1946 are subject to Sections 12829 and 12830 of the Water Code, and are, to the extent of such allocations, in fulfillment of the policy set forth in Part 6, Division 6 of the Water Code, that the State will participate in the prosecution of the projects approved and authorized in said code by paying for the cooperation which is required by the acts of Congress approving and authorizing the projects. The State Water Resources Board shall determine the amounts in which each of such reallocations shall be made. The allocation made by this item shall remain available for reallocation and expenditure until June 30, 1957.

- 414—For transfer by the State Controller to the Flood Control Fund of 1946, from the General Fund -----

Transfer
to Flood
Control
Fund
of 1946
3,409,009

SOCIAL WELFARE

- 415—For reimbursement of expenses incurred by counties and cities in maintaining approved services for the licensing and inspection of agencies for child care and home finding, and agencies for the care of the aged, Department of Social Welfare, to be expended in accordance with the provisions of Sections 1622 and 2302 of the Welfare and Institutions Code----

Social
services
reimburse-
ment

979,560

Item		Amount
	provided, that all or any portion of this appropriation may be transferred to Item 259 for support of the Department of Social Welfare, upon executive order of the Director of Finance.	
416—	For reimbursement to counties for the cost of the adoption programs and care of children in accordance with Sections 1640 through 1644 of the Welfare and Institutions Code, State Department of Social Welfare, in accordance with the following schedule-----	1,578,735
	Schedule:	
	(a) Administration -----	1,343,835
	(b) Cost of care-----	234,900
	Total of schedule-----	1,578,735
	provided, that all or any portion of this appropriation as contained in Item (a) of the foregoing schedule may be transferred to Item 259 for support of the Department of Social Welfare, upon executive order of the Director of Finance.	
417—	For reimbursement to counties for the cost of transporting needy children to homes without the State pursuant to Section 1580 of the Welfare and Institutions Code, Department of Social Welfare-----	2,500
OTHER PURPOSES		
Salaries Superior court judges	418—For State's share of salaries of judges of superior courts ----- as provided by Section 69640 of the Government Code.	1,770,000
County service officers	419—For contributions to counties toward the compensation and expenses of county service officers, Department of Veterans Affairs, to be expended in accordance with Section 972 of the Military and Veterans Code-----	350,000
County agricultural com- missioners, etc.	420—For salaries of county agricultural commissioners or compensation for services performed for county agricultural departments, Department of Agriculture, to be expended in accordance with the provisions of Section 63.5 of the Agricultural Code-----	144,262
Workmen's compensation to civil defense workers	421—For furnishing of workmen's compensation to civil defense workers and their dependents in accordance with the provisions of Division 4 of the Labor Code, including the reimbursing of the State Compensation Insurance	

Item	Amount
Fund for the cost of services as adjusting agent, Governor's Office, Office of Civil Defense -----	30,000
The State Compensation Insurance Fund may draw from the State Treasury out of the appropriation made by this item, without at the time presenting vouchers and itemized statements, any portion of the appropriation contained in this item, to be used as a cash revolving fund. Expenditures made from the revolving fund in payment of claims for workmen's compensation and adjusting services are excepted from the operation of Section 16003 of the Government Code. Reimbursement of the revolving fund for such expenditures shall be made upon presentation to the Controller of an abstract or statement of such expenditures. Such abstract or statement shall be in such form as the Controller requires.	
422—For reimbursements to counties for maintenance of juvenile homes and camps, Department of the Youth Authority, to be expended in accordance with the provisions of Article 13, Chapter 2 of Part 1 of Division 2 of the Welfare and Institutions Code-----	Juvenile homes, etc. 1,324,000
UNEMPLOYMENT ADMINISTRATION	
423—For administration of unemployment compensation disability benefits, Department of Employment, payable from the Unemployment Compensation Disability Fund, in accordance with the following schedule-----	Unemployment compensation disability benefits 3,565,900
Schedule:	
(a) Salaries and Wages-----	2,652,298
(b) Operating Expenses and Equipment -----	913,602
Total of schedule -----	3,565,900
424—For additional support of the Department of Employment, payable from the Department of Employment Contingent Fund, and in addition thereto any grants made available by the Federal Government; provided, that all or any portion of this appropriation may be transferred to the Unemployment Administration Fund upon executive order of the Director of Finance-----	Support of Department of Employment 38,543

Revolving
funds

SEC. 3. The unexpended balance of the appropriation made by Item 287, Budget Act of 1952, as amended by Item 283, Budget Act of 1953, and as amended by Section 4, Budget Act of 1954, is hereby reappropriated for augmentation of revolving funds during the 1955-56 Fiscal Year, to be transferred by the State Controller in such amounts and for such periods as the Director of Finance may authorize; provided further, that any amounts withdrawn may be returned to the credit of this appropriation as the Director of Finance may authorize.

Construction

SEC. 3.1. The appropriation made by Items 381, 382, 383, 384, 385, and 386 shall not be construed as an expression of either approval or disapproval by the Legislature of the plan for expansion and development of the State Park System as set forth in the publication entitled, "California State Park System, Five-year Program" and approved by the State Park Commission, November 19, 1954.

Limitations

SEC. 4. Any construction or improvement project included in any appropriation out of the Capital Outlay and Savings Fund, Fair and Exposition Fund, Motor Vehicle Fund, State Beach Fund, and State Park Fund made herein for major construction, improvements and equipment or for acquisition of real property shall be subject to the provisions of Section 15790 of the Government Code.

SEC. 5. No money appropriated herein in any item for major construction, improvements, and equipment, designs, working plans, and specifications may be expended by any state agency except amounts needed for preliminary surveys, studies, and planning until the State Public Works Board and the Department of Finance have approved preliminary plans for the project to be financed from such item of appropriation for major construction, improvements, and equipment, designs, working plans, and specifications. All appropriations heretofore made for major construction, improvements, and equipment, which are still available for expenditure, are hereby reappropriated for the same purposes and for the same period as heretofore provided by law, but, except as to amounts needed for preliminary plans, shall not be expended until the State Public Works Board and the Department of Finance have approved preliminary plans for the project or projects to be financed from the appropriation; provided, that this restriction shall not apply to projects for which working drawings have been started as of the effective date of this act; provided further, no major project for which appropriation is made hereunder regarding which the Director of Finance or his authorized representative requests review of working plans shall be put out to bid until the working plans therefor have been approved by the Department of Finance; provided further, that no money appropriated herein may be spent for working drawings for any project as to which there has been made substantial change or changes from the preliminary plans as approved by the State Public Works Board and the Department of Finance unless there has first been obtained the ap-

proval of the Department of Finance to make such change or changes; provided further, that no money appropriated herein may be spent for equipment until prior approval for purchase of such equipment shall have been given by the Department of Finance.

Nothing herein contained shall be construed to limit or control the Regents of the University of California in the expenditure of funds appropriated for major construction, improvements, and equipment for the use, development or enlargement of the University of California; provided, that the provisions of this section shall be applicable to the appropriation made by Item 350 of Section 2 of this act upon the election by the regents, pursuant to said Item 350, to comply therewith.

SEC. 6. All appropriations made from the Capital Outlay and Savings Fund by this act shall be available for the period prescribed by Section 16407.1 of the Government Code, and the appropriations made by Items 347.1, 347.2, 385.5, 377, 381, 382, 383 and 385 of this act shall be available until June 30, 1958, notwithstanding the provisions of Section 2 hereof which specify general availability of appropriations during the 1955-56 Fiscal Year. Capital
Outlay and
Savings Fund

SEC. 6.1. The unexpended balances of the appropriations, payable from the State College Fund, made by Item 302.1, Budget Act of 1951, Item 315, Budget Act of 1953, and Item 308, Budget Act of 1954, are reappropriated for the purposes provided for in said items for expenditure during the 1955-56 Fiscal Year. Fresno State
College

SEC. 6.2. The unexpended balance as of June 30, 1955, of the appropriation made by Item 324, Budget Act of 1952, shall revert to the Capital Outlay and Savings Fund. Reversion
to Capital
Outlay and
Savings Fund

SEC. 6.3. On and after July 1, 1955, the undisbursed balances of all appropriations heretofore made to the Department of Natural Resources from the General Fund or the Capital Outlay and Savings Fund, that were required to be repaid to the General Fund out of moneys impounded in the State Lands Act Fund under the decision and order of the United States Supreme Court and released and paid into the State Beach Fund or the State Park Fund, are reappropriated for the same purpose and for the same period of availability and shall be payable from the State Beach Fund or the State Park Fund, as determined and designated by the Department of Finance. Reappropria-
tion of
previously
impounded
moneys

SEC. 8. No money appropriated by this act shall be used to pay the salary of any authorized state position, which position was vacant and had been vacant or continuously unfilled during the period between October 1, 1954, and July 1, 1955, except with the specific approval of the Department of Finance, subsequent to July 1, 1955. Salary of
vacant
positions

The Department of Finance, not later than 30 days prior to the convening of the 1956 Budget Session of the Legislature, shall present to the Joint Legislative Budget Committee, assembled in meeting, a report of all positions as of July 1, 1955,

which were vacant or continuously unfilled during the period between October 1, 1954, and July 1, 1955, and a report of all authorizations to fill vacant positions and all positions abolished pursuant to this section.

Acquisition
of motor
vehicles

SEC. 9. No purchase order for acquisition or replacement of motor vehicles shall be issued against any appropriation made herein until the Department of Finance has investigated and established the necessity therefor.

All passenger type motor vehicles purchased from any appropriation made by this act for the use of state employees and officers, except constitutional officers, shall be of the light class, as defined by the Board of Control, unless excepted by the Director of Finance on the basis of unusual requirements, such as use by the Highway Patrol, which would justify the need for an automobile of a heavier class.

SEC. 10. All passenger type motor vehicles purchased either from any appropriation made by this act or from any other appropriation available therefor for the use of the Department of Public Works, except for use of officers excepted in Section 9 of this act, shall be of the light class, as defined by the Board of Control, unless excepted by the Director of Finance on the basis of unusual requirements which would justify the need for an automobile of a heavier class.

Limitations
on expendi-
tures
House or
apartment
furnishings

SEC. 11. None of the money appropriated by this act or for an expenditure which is supplemented from money appropriated by this act shall be used to purchase furnishings for any house or apartment of three or more rooms other than a dormitory which is rented to a state employee except for a superintendent of an institution, warden of a prison, or physicians. This provision shall not apply to the purchase of refrigerators, heaters, air conditioning equipment, stoves, linoleum, or equipment normally furnished in construction of the house as may be determined by the Board of Control. Any such funds that are appropriated by this act for this purpose shall be held intact and be reverted to the fund from which they were appropriated. It is the intent of the Legislature that no money shall be appropriated henceforth for the purpose of house furnishings. Such furnishings are not to be provided by the State nor shall any money be paid from this appropriation for their replacement, repair or otherwise except in connection with the disposal of the same.

Cafeterias

SEC. 12. No moneys appropriated by this act shall be used to purchase equipment or supplies for employee cafeterias or for the cafeteria type blind vending stand where hot meals are served, in any state office building, unless such cafeteria or vending stand has previously been established or the amount therefor is expressly authorized by a schedule in this act.

Office
furnishings

SEC. 13. No money appropriated by this act shall be used, either directly or by supplementing any other appropriation, to furnish rugs or carpets for any state office except for offices used by elective officers and other department heads. The Director of Finance shall furnish a detailed report annually

to the Joint Legislative Budget Committee of all rugs or carpets purchased for state offices under this section.

SEC. 14. Whenever herein an appropriation is made for support it shall include salaries and all other proper expenses, including repairs and equipment, incurred in connection with the institution, department, board, bureau, commission, officer, employee, or other agency, for which such appropriation is made.

Scope of appropriations
Support

Whenever herein an appropriation is made for construction and improvements, it shall include equipment necessary in connection with such construction or improvements.

Construction and improvements

Whenever herein any item of appropriation is made for acquisition of land or other real property, it shall include all necessary expenses in connection with the acquisition of such property.

Real property

Whenever appropriation is made in accordance with a schedule set forth after such appropriation, the expenditures from such item for each category or project included in the schedule shall be limited to the amount specified for such category or project, except as otherwise provided in this act. Each such schedule is a restriction or limitation upon the expenditure of the respective appropriation made by this act, does not itself appropriate any money, and is not itself an item of appropriation.

Limitation of expenditures

As used in this act in reference to such schedules "category" means a class of expenditures such as, but not limited to:

Definitions

(a) "Salaries and wages" which shall include all expenditures for payment of officers and employees of the State but does not include compensation of independent contractors rendering personal services to the State under contract;

(b) "Operating expenses and equipment" which shall include all expenditures for purchase of materials, supplies, equipment, services (other than services of state officers and employees), and all other proper expenses;

(c) "Construct" when used in connection with a capital outlay project shall include all such related things as fixtures, installed equipment, and auxiliary facilities.

For the purpose of further interpreting the meaning of the words, terms and phrases used in such schedules, reference is hereby made to that document entitled "State of California Budget for the Fiscal Year July 1, 1955, to June 30, 1956," submitted by the Governor to the Legislature at the 1955 Regular Session, the uniform accounting system prescribed by the Department of Finance under the provisions of Section 13290 of the Government Code, and the appropriate portions thereof. The State Board of Control shall establish such interpretations as are necessary to carry out the provisions of this section and shall furnish the same to the State Controller and to every state agency to whom appropriations are made under this act.

SEC. 15. The Director of Finance may, pursuant to a request by the officer, department, division, bureau, board, commission, or other agency to whom an appropriation is made

Transfers from categories

herein, authorize the augmentation of the amount available for expenditure for a category or project designated in any schedule set forth for such appropriation in Section 2 by transfer from any of the other designated categories or projects within the same schedule. The Director of Finance shall present to the Joint Legislative Budget Committee assembled in meeting a report on all authorizations given pursuant to this section during the preceding quarter.

Augmen-
tations

SEC. 16. The Director of Finance may authorize the augmentation of the amount available for expenditure for any category in the schedules set forth for any appropriation in Section 2 hereof or any additional category in the amount of any funds which he estimates will be received by an officer, department, division, bureau or other agency during the 1955-56 Fiscal Year from any other state agency, from any agency of local government or the Federal Government, from any appropriation made by the Legislature or from any other source which he determines has not been taken into consideration in said schedule, or is in excess of the amount so taken into consideration.

Reductions

The Director of Finance may also reduce any category whenever he determines that funds to be received will be less than the amount taken into consideration in the schedule.

Premiums
for official
bonds

SEC. 17. Premiums for official bonds may be paid out of appropriations contained in this act, notwithstanding the period covered by such bonds.

Expenditures
from
Emergency
Fund, etc

SEC. 18. Whenever an expenditure is authorized from the Emergency Fund, from Price Increase Funds, from the Salary Increase Funds, or from a special fund pursuant to Section 11006 of the Government Code, in addition to an appropriation made by this act, such authorized expenditures shall, for accounting purposes, be deemed to be an augmentation and increase of the appropriation made by this act.

Transfer of
unneeded
funds

SEC. 19. The State Board of Control, upon recommendation of the Director of Finance, may authorize that unneeded funds in an appropriation for support for an institution or for family care, school or college within any of the following agencies may be made available, and shall be deemed appropriated, for the support of another institution or for family care, school or college within the same department:

(a) Department of Corrections, upon request of the Director of Corrections;

(b) Department of Youth Authority, upon request of the Director of the Youth Authority;

(c) Department of Education, upon request of the Director of Education;

(d) Department of Mental Hygiene, upon request of the Director of Mental Hygiene.

Transfer of
appropria-
tions

SEC. 20. Whenever any of the duties, powers, purposes, responsibilities, or jurisdiction of any office, officer, board, commission, bureau or other agency of the State are transferred by law to any other office, officer, board, commission,

bureau or other agency of the State, that portion of any appropriation herein made for such office, officer, board, commission, bureau or other agency of the State, intended to be used and available for the performance of such duties, powers, purposes, responsibilities or jurisdiction, upon certification by the Department of Finance as to the amount shall, by the State Controller, be transferred to, and the same shall become a part of, the funds available for the office, officer, board, commission, bureau or other agency of the State, to which the duties, powers, purposes, responsibilities, or jurisdiction of such office, officer, board, commission or other state agency have been transferred.

SEC. 21. Whenever the duties, powers, purposes, responsibilities and jurisdiction of any office, board, commission or other state agency are abolished by law the unexpended portion of the appropriation herein made for the support of such office, board, commission, or other state agency shall upon the effective date of the act abolishing such office, board, commission or other state agency revert to and become a part of the unexpended balance of the fund from which such appropriation was made.

Abolished
state
agencies

SEC. 22. Whenever by law a change is made in the fund from which the support of any office, board, commission or other state agency is properly payable, any appropriation made herein for the support of such office, commission or other state agency, or the applicable portion thereof, shall become payable from the fund designated in that law. The State Board of Control shall determine the adjustments to be made in the appropriations provided for herein as a result of any such change in law and shall certify the same to the State Controller, who shall thereupon make the necessary entries upon his records.

Change
in fund

SEC. 23. The appropriations under this act, unless otherwise provided, shall be subject to the provisions of Section 13320 of the Government Code requiring expenditures to be made in accordance with the allotments and other provisions of fiscal year budgets approved by the Department of Finance.

Application
of Gov. C.,
§ 13320

The fiscal year budget shall authorize in such manner as the Department of Finance shall prescribe all established positions whose continuance for the year is approved and all new positions. No new positions or change in grade or class of an existing position shall be established unless authorized by the Department of Finance on the basis of work load and organization.

Positions
established

Each fiscal year budget shall provide for a salary savings reserve to which shall be transferred on a document initiated by the agency and approved by the Department of Finance the unencumbered balance remaining in each allotment for salaries and wages at the close of each quarter or other period of time covered by the allotment. The unencumbered balance remaining in each budget allotment for salaries and wages shall be computed by deducting from the amount of the allot-

Salary sav-
ings reserve

ment the expenditures and accrued obligations for salaries and wages chargeable to such allotment for the period covered thereby. The amount in the salary savings reserve shall not be available for expenditure except upon transfer to allotments for salaries and wages approved by the Department of Finance. Such transfers shall be approved only after it has been demonstrated to the satisfaction of the Department of Finance that the allotment to be augmented is insufficient to meet necessary expenditures for salaries and wages.

No money in any salary savings reserve may be expended to pay increases in salary ranges established after July 1, 1955, unless the Department of Finance certifies to the State Personnel Board prior to the adoption of such increased salary range that funds will be made available to pay the increased salaries resulting therefrom.

A certification on a pay roll claim that expenditures therein are in accordance with current budgetary provisions as approved by the Department of Finance shall be sufficient evidence to the Controller that such expenditures comply with the provisions of this section.

Expenditures
in excess
of appro-
priations

SEC. 24. The officers of the various departments, boards, commissions and institutions, for whose benefit and support appropriations are made in this act, are expressly forbidden to make any expenditure in excess of such appropriations, except the consent of the State Department of Finance be first obtained, and a certificate, in writing, duly signed by the director of said department, of the unavoidable necessity of such expenditure; and any indebtedness attempted to be created against the State in violation of the provisions of this section shall be absolutely null and void; and shall not be allowed by the State Controller nor paid out of any state appropriation. Any member of any such department, board, commission or institution, who shall vote for any expenditure, or create any indebtedness against the State in excess of the respective appropriations made by this act, except by the consent of the State Department of Finance and the certificate in this section provided to be first obtained, shall be liable on his official bond for the amount of such indebtedness, to be recovered in any court of competent jurisdiction by the person or persons, firm or corporation to whom such indebtedness is owing.

Effect of
item veto

SEC. 25. If any item of appropriation in this act is vetoed, eliminated or reduced by the Governor under Sections 16 and 34 of Article IV of the Constitution while approving portions of this act, such veto, elimination or reduction shall not affect the other portions of this act and these other portions of this act, so approved, shall have the same effect in law as if any vetoed or eliminated items of appropriation had not been present in this act and as if any reduced item of appropriation had not been reduced.

Constitution-
ality

SEC. 26. If any section, subsection, sentence, clause, or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining por-

tions of this act. The Legislature hereby declares that it would have passed this act, and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional.

SEC. 27. This act, inasmuch as it provides for an appropriation for the usual current expenses of the State, shall, under the provisions of Section 1 of Article IV of the Constitution of the State of California, take effect immediately. Current expenses

SEC. 28. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

There exists an extreme shortage of physical facilities for the operation of the custodial, mental treatment, educational, administrative, military and other agencies of the State Government, the present facilities being entirely inadequate due to great increases in population and added governmental responsibilities. The capital outlay appropriations in this budget are all in continuation of an existing program to remedy the aforesaid shortage of facilities and to promote and sustain the economy of the State. If they are not available for expenditure on July 1, 1955, the existing program will be delayed. The expeditious correction of such condition and the efficient operation of the State's business require the immediate availability of the new capital outlay appropriation and the uninterrupted availability of reappropriated capital outlay items contained in this measure. It is therefore necessary that this act go into immediate effect.

CHAPTER 778

An act to amend Section 419 of the Vehicle Code, relating to disclosure of information contained in accident reports.

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 419 of the Vehicle Code is amended to read:

419. Report of Accident Required. Reports and Records Not to Be Evidence in Civil Suits. (a) The driver of every motor vehicle which is in any manner involved in an accident originating from the operation of a motor vehicle on any street or highway within this State which accident has resulted in damage to the property of any one person in excess of one hundred dollars (\$100) or in bodily injury or in the death of any person shall within 15 days after such accident report the Accident report

accident on a form approved by the department to the office of the department at Sacramento, subject to the following provisions. In the event an involved vehicle was a driverless runaway vehicle, then the registered owner of such vehicle shall be construed to have been the driver of the vehicle for the purposes of this chapter; provided, the vehicle was parked with the express or implied permission of the owner. In the event the driver at the time of an accident was driving a motor vehicle owned, operated, or leased by the employer of such driver and with the permission of the employer, then such driver shall within five days after the accident report the accident to his employer on a form approved by the employer and said employer shall within 10 days after receipt of said report transmit a report on a form approved by the department to the office of the department at Sacramento, except that an employer need not transmit such report to the department when the vehicle involved in the accident is owned or operated as described in Section 422.1 or 422.4 or is owned or operated by any person or corporation who has filed with the department a certificate of an insurance carrier or bonding company that there is in effect a policy or bond meeting the requirements of Section 422.6 and when such insurance policy or bond was in full force and effect in respect to such vehicle at the time of the accident.

Driver
physically
incapable

(b) If any driver be physically incapable of making such report, and is not the owner of the motor vehicle involved in such accident then the owner shall, as soon as he learns of the accident, report the matter in writing to the department. The driver or the owner shall make such other and additional reports relating to such accidents as the department shall require.

Suspension
of driving
privilege

(c) The department may suspend the driving privilege and any licenses evidencing such privilege of any person who willfully fails, refuses, or neglects to make report of an accident as herein required.

Not evidence
in civil suits

(d) Neither the report required by this section, the action taken by the department pursuant to this chapter, the findings if any of the department upon which action is based, nor the security filed as provided in this chapter shall be referred to in any way, or be any evidence of the negligence or due care of any party, at the trial of any action at law to recover damages.

Reports
confidential

(e) All reports and supplemental reports required by this chapter including insurance information forms and the total amounts of security required for deposit as determined by the department from such reports shall be without prejudice to the individual so reporting and shall be for the confidential use of the Department of Motor Vehicles and any other state department needing the same, except that the Department of Motor Vehicles shall disclose from such reports and security deposit records:

Exceptions

(1) The names and addresses of persons involved in the accident.

(2) The registration numbers and descriptions of vehicles involved in the accident.

(3) The date, time and location of the accident.

(4) The exemption from security requirement which has been established under Section 422.

(5) That security has been deposited or that suspension action has been taken by the department.

(6) Names and addresses of insurance carriers.

This information may be given to any person having a proper interest therein including:

(1) The driver or drivers involved, or the employer, parent or legal guardian thereof.

(2) The authorized representative of any person involved in the accident.

(3) Any person injured in the accident.

(4) The owners of vehicles or property damaged in the accident.

CHAPTER 779

An act to amend Section 1013a of the Code of Civil Procedure, relating to service by mail.

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1013a of the Code of Civil Procedure is amended to read:

1013a. Proof of service by mail may be made by one of the following methods:

(1) An affidavit affixed to the original, or to a true copy, of the document served and filed in the cause, showing the name and residence or business address of the person making the service, showing that he is a citizen of the United States and resident or employed in the county where the mailing occurs, that he is over the age of 18 years and not a party to the cause, and showing the date and place of deposit in the mail, the name and address of the person served as shown on the envelope, and also showing that the envelope was sealed and deposited in the mail with the postage thereon fully prepaid.

(2) A certificate affixed to the original, or to a true copy, of the document served and filed in the cause, showing the name and business address of the person making the service, showing that he is an active member of the State Bar of California and is not a party to the cause, and showing the date and place of deposit in the mail, the name and address of the person served as shown on the envelope, and also showing that the envelope was sealed and deposited in the mail with the postage thereon fully prepaid.

CHAPTER 780

An act to add Sections 8216, 8217, and 8218 to the Government Code, relating to discharge of sureties.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 8216 is added to the Government Code, to read:

8216. When a surety of a notary desires to be released from responsibility on account of future acts, he may make application to the superior court of the county where the commission is issued, or a judge thereof, for relief. The court or judge shall cite the notary to appear at a designated time and place and give other security. If the notary has absconded, left, or removed from the State, or if he cannot be found after due diligence and inquiry, the citation may be served by leaving a copy of it at his residence, or by such publication as the court or judge may order.

SEC. 2. Section 8217 is added to said code, to read:

8217. If the notary neglects or refuses to give new sureties, to the satisfaction of the judge, on the return of the citation or within such reasonable time as the judge shall allow, unless the surety making the application shall consent to a longer extension of time, the court or judge must revoke his commission.

SEC. 3. Section 8218 is added to said code, to read:

8218. If new sureties be given to the satisfaction of the judge, he shall thereupon make an order that the sureties who applied for relief shall not be liable on their bond for any subsequent act, default or misconduct of the notary.

CHAPTER 781

An act to amend Section 674 of the Code of Civil Procedure, relating to judgments.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 674 of the Code of Civil Procedure is amended to read:

674. An abstract of the judgment or decree of any court of this State, including a judgment of any court sitting as a small claims court, or any court of record of the United States, the enforcement of which has not been stayed on appeal, certified by the clerk, judge or justice of the court where such judgment or decree was rendered, may be recorded with the recorder of any county and from such recording the judgment or decree becomes a lien upon all the real property of the judgment debtor, not exempt from execution, in such county,

owned by him at the time, or which he may afterward and before the lien expires, acquire. Such lien continues for 10 years from the date of the entry of the judgment or decree unless the enforcement of the judgment or decree is stayed on appeal by the execution of a sufficient undertaking or the deposit in court of the requisite amount of money as provided in this code, or by the statutes of the United States, in which case the lien of the judgment or decree, and any lien or liability now existing or hereafter created by virtue of an attachment that has been issued and levied in the action, unless otherwise by statutes of the United States provided, ceases, or upon all undertaking on release of attachment, or unless the judgment or decree is previously satisfied, or the lien otherwise discharged. The abstract above mentioned shall contain the following: title of the court and cause and number of the action; date of entry of the judgment or decree; names of the judgment debtor and of the judgment creditor; amount of the judgment or decree, and where entered in judgment book, minutes or docket in the justice court.

CHAPTER 782

An act to amend Section 654.1 of the Agricultural Code, relating to milk and imitations thereof.

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 654.1 of the Agricultural Code is amended to read:

654.1. The provisions of paragraphs (a) and (d) of Section 654 shall not apply to a distinctive proprietary food compound (a) not readily mistaken in taste for milk, or for evaporated, skim, condensed or dried milk, (b) prepared and designed for feeding infants and young children, and (c) sold exclusively by druggists, orphan asylums, child welfare associations, hospitals and similar institutions, or for shipment outside of California. Notwithstanding any of the provisions of Section 635, a product described in, and complying with the requirements of, this section may be labeled as modified milk.

CHAPTER 783

An act to repeal Section 5110 and amend Section 5112 of the Public Utilities Code, relating to carriers.

[Approved by Governor May 25, 1955 Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5110 of the Public Utilities Code is repealed.

SEC. 2. Section 5112 of said code is amended to read:

5112. The regulation of the transportation of used household goods and personal effects, office, store, and institution furniture and fixtures in a motor vehicle or motor vehicles being so used exclusively, over any public highway in this State shall be exclusively as provided in this chapter. Any provision of the Public Utilities Act, City Carriers' Act, or the Highway Carriers Act in conflict with the provisions of this chapter is superseded and repealed.

CHAPTER 784

An act to amend Section 28150 of the Government Code, relating to compensation for public service in counties of the fiftieth class.

In effect
September
7, 1955

[Approved by Governor May 25, 1955. Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 28150 of the Government Code is amended to read:

Calaveras
County
officers:
Salaries

28150. In a county of the fiftieth class the following shall receive as compensation for the services required of them by law, or by virtue of their office, the following sums:

(a) The auditor, two thousand four hundred dollars (\$2,400) a year.

(b) The district attorney, four thousand five hundred dollars (\$4,500) a year and necessary traveling expenses to be allowed by the board of supervisors.

(c) Each supervisor, three thousand six hundred dollars (\$3,600) a year, in full payment for services as member of the board of supervisors and member of the board of equalization, and twenty cents (\$0.20) a mile, going only, in traveling from his residence to the county seat at each session of the board. Each supervisor shall also receive his necessary and actual itemized traveling expenses when traveling outside the county by order of the board on business connected with his office, not to exceed five hundred dollars (\$500) a year in the aggregate for all members of the board.

(d) For each day's attendance as a grand juror five dollars (\$5). For each day's attendance as a trial juror five dollars (\$5). Grand and trial jurors shall receive ten cents (\$0.10) for each mile actually traveled each way while serving as such grand or trial juror. The county clerk shall certify to the auditor the number of days' attendance and the number of miles traveled by each juror. The auditor shall draw his warrant therefor and the treasurer shall pay the warrant.

The compensation provided by this section shall be payable to incumbent officers.

CHAPTER 785

An act to amend Sections 74502, 74503, 74504 and 74507 of the Government Code, relating to the municipal court in the City and County of San Francisco.

[Approved by Governor May 26, 1955 Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 74502 of the Government Code is amended to read:

74502. There shall be one clerk who shall also serve as secretary to the judges and who shall be paid a minimum salary of one thousand dollars (\$1,000) monthly during the first year of service, a salary of one thousand one hundred dollars (\$1,100) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of one thousand two hundred dollars (\$1,200) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment. Whenever any vacancy occurs after the effective date hereof, the judges, or a majority of them, notwithstanding any other provisions of the Government Code, shall appoint one clerk who shall also serve as secretary to the judges, and who shall hold office at their pleasure and who shall receive the salary hereinabove provided.

San
Francisco
Municipal
Court
Clerks

SEC. 2. Section 74503 of said code is amended to read:

74503. (a) There shall be one deputy clerk who shall be jury commissioner and who shall perform such other duties as assigned by the judges of the court and who shall be paid a minimum salary of seven hundred thirty-five dollars (\$735) monthly during the first year of service, a salary of seven hundred sixty dollars (\$760) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of seven hundred eighty dollars (\$780) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment. Whenever any vacancy occurs after the effective date hereof, the judges, or a majority of them, notwithstanding any other provisions of the Government Code, shall appoint one deputy clerk who shall be jury commissioner, and who shall hold office at their pleasure, and who shall perform such other duties as assigned by the judges of the court, and who shall receive the salary hereinabove provided.

The clerk shall appoint:

(b) One deputy clerk who shall be chief division clerk, traffic department, and who shall be paid a minimum salary of seven hundred dollars (\$700) monthly during the first year of service, a salary of seven hundred twenty-five (\$725)

monthly after the first year of service commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of seven hundred fifty dollars (\$750) monthly after the second year of service commencing on the first day of the month following the second anniversary of his appointment.

(c) One deputy clerk who shall be chief division clerk, civil department, and who shall be paid a minimum salary of seven hundred dollars (\$700) monthly during the first year of service, a salary of seven hundred twenty-five dollars (\$725) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of seven hundred fifty dollars (\$750) monthly after the second year of service commencing on the first day of the month following the second anniversary of his appointment.

(d) One deputy clerk who shall be chief division clerk, criminal department, and who shall be paid a minimum salary of six hundred seventy dollars (\$670) monthly during the first year of service, a salary of seven hundred dollars (\$700) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of seven hundred twenty-five dollars (\$725) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment.

(e) One deputy clerk who shall be chief division clerk, accounting department, and who shall be paid a minimum salary of six hundred seventy dollars (\$670) monthly during the first year of service, a salary of seven hundred dollars (\$700) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of seven hundred twenty-five dollars (\$725) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment.

SEC. 3. Section 74504 of said code is amended to read:

Same

74504. The clerk shall also appoint:

(a) Five deputy clerks who shall be assistant chief division clerks and who shall be paid a minimum salary of five hundred seventy-five dollars (\$575) monthly during the first year of service, a salary of six hundred dollars (\$600) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of six hundred twenty-five dollars (\$625) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment.

(b) One deputy clerk who shall be paid a minimum salary of five hundred fifty-five dollars (\$555) monthly during the first year of service, a salary of five hundred sixty-five dollars (\$565) monthly after the first year of service, commencing on

the first day of the month following the first anniversary of his appointment, and a maximum salary of five hundred seventy-five dollars (\$575) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment.

(c) Twenty-two deputy clerks who shall be paid a minimum salary of five hundred dollars (\$500) monthly during the first year of service, a salary of five hundred twenty-five dollars (\$525) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of five hundred fifty dollars (\$550) after the second year of service commencing on the first day of the month following the second anniversary of his appointment.

(d) Fifteen deputy clerks who shall be paid a minimum salary of four hundred thirty dollars (\$430) monthly during the first year of service, a salary of four hundred fifty dollars (\$450) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of four hundred seventy dollars (\$470) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment.

(e) Sixteen deputy clerks who shall be paid a minimum salary of four hundred dollars (\$400) monthly during the first year of service, a salary of four hundred ten dollars (\$410) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of four hundred twenty dollars (\$420) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment.

(f) Nineteen deputy clerks who shall be paid a minimum salary of three hundred seventy dollars (\$370) monthly during the first year of service, a salary of three hundred eighty dollars (\$380) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of three hundred ninety-five dollars (\$395) monthly after the second year of service commencing on the first day of the month following the second anniversary of his appointment.

(g) Twenty-four deputy clerks who shall be paid a minimum salary of three hundred twenty-five dollars (\$325) monthly during the first year of service, a salary of three hundred forty-five dollars (\$345) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of three hundred sixty-five dollars (\$365) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment.

(h) Two information clerks who shall be paid a minimum salary of three hundred dollars (\$300) monthly during the

first year of service, a salary of three hundred twenty-five dollars (\$325) monthly after the first year of service, commencing on the first day of the month following the first anniversary of his appointment, and a maximum salary of three hundred fifty dollars (\$350) monthly after the second year of service, commencing on the first day of the month following the second anniversary of his appointment.

SEC. 4. Section 74507 of said code is amended to read:

Vacancies,
appoint-
ments, etc.

74507. Whenever a position described in Sections 74503(b) to 74504, inclusive, becomes vacant, the appointing officer shall request the civil service commission to certify to him for appointment the highest person on the list of eligibles of male or female sex as indicated in the request of the appointing authority. Lists of eligibles for such promotive positions, subsequent to those lists in existence on September 19, 1947, shall be composed only of persons holding the next lower rank or ranks of deputy clerks in such municipal courts. Monthly compensation shall determine that such deputy clerks are of the next lower rank or ranks. Temporary appointees shall receive the salary set up opposite the title of their respective positions. Temporary appointments to promotive positions shall be made from the next lower rank or ranks.

CHAPTER 786

An act making an appropriation for construction and equipment of state public works, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. There is hereby appropriated out of the Capital Outlay and Savings Fund in the State Treasury the sum of five hundred thirty-eight thousand seven hundred forty-three dollars (\$538,743) in augmentation of Item 393 of the Budget Act of 1953.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

There exists an extreme shortage of physical facilities for the operation of the custodial, mental treatment, educational, administrative, military and other agencies of the State Government, the present facilities being entirely inadequate due to great increases in population and added governmental responsibilities. The capital outlay appropriations in this budget are all in continuation of an existing program to remedy the aforesaid shortage of facilities and to promote and sustain

the economy of the State. The expeditious correction of such condition and the efficient operation of the State's business require the immediate availability of the new capital outlay appropriation and the uninterrupted availability of reappropriated capital outlay items contained in this measure. It is therefore necessary that this act go into immediate effect.

CHAPTER 787

An act to add Section 13101.7 to the Government Code, relating to the acquisition of easements and rights of way by the State.

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13101.7 is added to the Government Code, to read:

13101.7. The Director of Finance may acquire, by condemnation or other means, any easements or rights of way which he determines to be necessary for the proper utilization of real property owned or being acquired by the State.

This section does not apply to land, easements, or rights of way to be acquired by the Department of Public Works.

CHAPTER 788

An act to amend Section 28140 of the Government Code, relating to compensation for public service in a county of the fortieth class.

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28140 of the Government Code is amended to read:

28140. In a county of the fortieth class the annual salary of each supervisor is three thousand dollars (\$3,000). All other officers shall receive as compensation for the services required of them by law or by virtue of their offices the salaries and fees fixed pursuant to the charter of the county.

Tehama
County
Salaries
Supervisors

Grand jurors shall receive three dollars (\$3) a day for each day's attendance and mileage at the rate of fifteen cents (\$0.15) a mile for each mile necessarily traveled in attending court, in going only. Trial jurors in the superior and justice courts shall receive three dollars (\$3) per day for the first day and six dollars (\$6) per day thereafter during that particular trial, with mileage at the rate of eight cents (\$0.08) per mile each way. In criminal cases the fees and mileage of

Jurors

the trial jurors in the superior court shall be paid by the treasurer out of the general fund of the county upon warrants drawn by the auditor on the written order of the judge of the court in which the jurors were in attendance, and the treasurer shall pay the warrants.

CHAPTER 789

An act to amend Section 4621 of the Education Code, relating to governing boards of unified school districts coterminous with or including a chartered city or city and county.

In effect
September
7, 1955

[Approved by Governor May 26, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 4621 of the Education Code is amended to read:

Provision for
governing
board in
chartered
city, etc

4621. Each unified school district which is coterminous with or includes within its boundaries a chartered city or city and county shall be governed by the board of education provided for in the charter of the city or city and county.

Election of
members
when no
charter
provision

If the charter of any city or city and county fails to provide for a board of education, the unified school district with which the city or city and county is coterminous, or in which it is included, shall be governed by an elective board of education of five members. The members of the governing board of any elementary school district merged into a unified school district of the type described in this section shall become members of the governing board of the unified school district and shall serve as such for the unexpired term for which they were elected or appointed as members of the governing board of the elementary school district.

Appointment
and election
of members
in case of
charter
provision

If the charter of any city provides for or has within two years prior to January 1, 1955, provided for a board of education of five members of a unified school district, and said charter has been or is hereafter amended so that it fails to provide for a board of education, a new board of education composed of five members is created under this section immediately upon the effective date of such amendment; the positions thereto shall be filled by appointment of the county superintendent of schools. The terms of the members first so appointed shall expire the last day of June next following the effective date of such charter amendment, and an election shall be held for the members of such board at the time fixed by law for the regular election of members of governing boards of school districts, and the members so elected shall assume office on the first day of July following. If the effective date of such charter amendment is such that a legal election for board members cannot be held as aforesaid prior to the first day of July next following such charter amendment, then the county superintendent of schools shall again appoint the

members of such board who shall assume office on the first day of July as aforesaid. The terms of the board members who take office on the first day of July as aforesaid and thereafter shall be for a period of four years except that of the members who take office the first day of July next succeeding such charter amendment, two shall be for a term of two years from such July 1st and three shall be for a term of four years therefrom thereby securing a rotation in membership, and the county superintendent of schools, upon the making of the appointments aforesaid or within 30 days after the effective date of the amendment to this section at the 1955 Regular Session of the Legislature, whichever is later, shall designate which positions are for the two-year and which for the four-year terms. Except as herein otherwise provided, the members of the board shall be elected at the last time fixed by law for the election of members of governing boards of school districts prior to the commencement of a new term of office. If a general municipal election is to be held within 60 days prior to the time when an election for board members would be held as aforesaid, the board of education may, by resolution filed with the governing body of such city at least 60 days prior to such municipal election, call the school district election to coincide with the municipal election and request the governing body of such city to consolidate such elections in that portion of the school district which lies within such city, and the governing body of such city shall order such elections to be consolidated and to be held as are consolidated elections under the provisions of the Elections Code relating to consolidated elections, in which event the school district shall simultaneously with the holding of such consolidated election conduct an election in any portion of the district not included within such municipality. In the event of the holding of such consolidated election, the school district shall reimburse the city for its proportionate share of the costs of conducting such consolidated election in an amount to be agreed upon between the governing bodies of such school district and such city.

CHAPTER 790

An act to amend Section 7416 of the Public Resources Code, relating to lieu lands.

[Approved by Governor May 26, 1955 Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 7416 of the Public Resources Code is amended to read:

7416. If any applicant desires to purchase any of the lands mentioned in Section 7406, he shall, before filing his application with the commission, properly prepare all papers and

documents on the forms prescribed by the commission and the Department of the Interior, and shall also surrender the indemnity certificate or scrip which he desires the commission to use as bases for indemnity. If the applicant complies with the provisions of this article and of law, the commission, unless it first determines that the listing to the State of the lands sought to be purchased by the applicant would be contrary to the best interests of the State, shall thereupon communicate with the United States Land Offices and ask that the lands sought to be purchased be listed to the State in lieu of the bases named in the surrender certificate. The applicant shall also pay to the commission at the time of the presentation of the application all fees required by the United States Land Offices for the location, shall furnish all county recorders' or other certificates required, and shall pay for publication of all notices required by the United States Land Offices.

The county recorder, upon the request of any person or his agent or attorney, shall forthwith, on the payment of the fees allowed by law, furnish the certificate required by this section, or any other certificate that may be required by the rules or regulations of the United States Land Office.

CHAPTER 791

An act to add Section 14305.5 to, and amend Sections 14077 and 14683 of, the Health and Safety Code, relating to fire protection districts.

In effect
September
7, 1955

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14305.5 is added to the Health and Safety Code, to read:

14305.5. Any territory originally within the boundaries of the previously formed district shall not be excluded from the boundaries of a district reorganized pursuant to this chapter by reason of the fact that at the time of the filing of the petition for reorganization the territory shall then be included within a city; provided, that consent for the inclusion of the territory be given by the legislative body of the city prior to the filing of the petition for reorganization.

SEC. 2. Section 14077 of said code is amended to read:

14077. It may take by grant, purchase, gift, devise, or lease, and hold, use, enjoy, and lease, or dispose of real and personal property of every kind, necessary for the exercise of the powers of the district, whether the property is located within or outside the boundaries of the district.

SEC. 3. Section 14683 of said code is amended to read:

14683. The directors may acquire real or personal property for the purposes of the district, dispose of property when

no longer needed, construct needed structures, and acquire, hold and possess, either by donation or purchase, in the name and on behalf of the district any land or other property necessary for the purposes of the district, whether the property is located within or outside the boundaries of the district.

CHAPTER 792

An act to add Section 35146.1 and 35318.1 to the Government Code, relating to special districts in territory annexed by a city.

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 35146.1 is added to the Government Code, to read:

35146.1. As an alternative to any procedure prescribed by law for the division of taxes or assessments collected in a special district lying partially or wholly in territory annexed by an incorporated city, the city and the special district may enter into an agreement providing that the special district shall continue to perform services for such annexed territory until the close of the fiscal year for which the special district has levied taxes or assessments.

SEC. 2. Section 35318.1 is added to said code, to read:

35318.1. As an alternative to any procedure prescribed by law for the division of taxes or assessments collected in a special district lying partially or wholly in territory annexed by an incorporated city, the city and the special district may enter into an agreement providing that the special district shall continue to perform services for such annexed territory until the close of the fiscal year for which the special district has levied taxes or assessments.

CHAPTER 793

An act to amend Sections 682, 688, 690.11 and 690.26 of the Code of Civil Procedure, relating to exemptions from attachment or execution proceedings.

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 682 of the Code of Civil Procedure is amended to read:

682. The writ of execution must be issued in the name of the people, sealed with the seal of the court, and subscribed by the clerk or judge, and be directed to the sheriff, constable, Writ of
execution -
Issuance,
form, and
contents

or marshal, and it must intelligibly refer to the judgment, stating the court, the county, and in municipal and justice courts, the judicial district, where the judgment is entered, and if it be for money, the amount thereof, and the amount actually due thereon, and if made payable in a specified kind of money or currency, as provided in Section 667, the execution must also state the kind of money or currency in which the judgment is payable, and must require the officer to whom it is directed to proceed substantially as follows:

1. If it be against the property of the judgment debtor, it must require such officer to satisfy the judgment, with interest, out of the personal property of such debtor, or if it is against the earnings of such debtor, only one-half of such earnings of the judgment debtor received for his personal services rendered at any time within 30 days next preceding such levy shall be subject thereto, and if sufficient personal property cannot be found, then out of his real property; or if the judgment be a lien upon real property, then out of the real property belonging to him on the day when the abstract of judgment was filed as provided in Section 674 of this code, or at any time thereafter.

2. If it be against real or personal property in the hands of the personal representatives, heirs, devisees, legatees, tenants, or trustees, it must require such officer to satisfy the judgment, with interest, out of such property.

3. If it be against the person of the judgment debtor, it must require such officer to arrest such debtor and commit him to the jail of the county until he pay the judgment, with interest, or be discharged according to law.

4. If it be issued on a judgment made payable in a specified kind of money or currency, as provided in Section 667, it must also require such officer to satisfy the same in the kind of money or currency in which the judgment is made payable, and such officer must refuse payment in any other kind of money or currency; and in case of levy and sale of the property of the judgment debtor, he must refuse payment from any purchaser at such sale in any other kind of money or currency than that specified in the execution. Any such officer collecting money or currency in the manner required by this chapter, must pay to the plaintiff or party entitled to recover the same, the same kind of money or currency received by him, and in case of neglect or refusal to do so, he shall be liable on his official bond to the judgment creditor in three times the amount of the money so collected.

5. If it be for the delivery of the possession of real or personal property, it must require such officer to deliver the possession of the same, describing it, to the party entitled thereto, and may at the same time require such officer to satisfy any costs, damages, rents, or profits recovered by the same judgment, out of the personal property of the person against whom it was rendered, and the value of the property for which the judgment was rendered to be specified therein if

a delivery thereof cannot be had; and if sufficient personal property cannot be found, then out of the real property, as provided in the first subdivision of this section.

SEC. 2. Section 688 of said code is amended to read:

688. All goods, chattels, moneys or other property, both real and personal, or any interest therein, of the judgment debtor, not exempt by law, except one-half of the earnings of the defendant or judgment debtor received for his personal services rendered at any time within 30 days next preceding the levy of attachment or execution, and all property and rights of property seized and held under attachment in the action, are liable to execution. Shares and interests in any corporation or company, and debts and credits, and all other property, both real and personal, or any interest in either real or personal property, and all other property not capable of manual delivery, may be levied upon or released from levy in like manner as like property may be attached or released from attachment, except that a copy of the complaint in the action from which the writ issued need not accompany the writ; provided, that no cause of action nor judgment as such, shall be subject to levy or sale on execution. Gold dust must be returned by the officer as so much money collected at its current value, without exposing the same to sale. Until a levy, the property is not affected by the execution; but no levy shall bind any property for a longer period than one year from the date of the issuance of the execution, except a levy on the interests or claims of heirs, devisees or legatees in or to assets of deceased persons remaining in the hands of executors or administrators, thereof prior to distribution and payment; provided, however, an alias execution may be issued on said judgment and levied on any property not exempt from execution.

Property
liable to
execution

SEC. 3. Section 690.11 of said code is amended to read:

690.11. One-half of the earnings of the defendant or judgment debtor received for his personal services rendered at any time within 30 days next preceding the levy of attachment or execution shall be exempt from execution or attachment without filing a claim for exemption as provided in Section 690.26.

Exemption
Earnings

All of such earnings, if necessary for the use of the debtor's family, residing in this State, and supported in whole or in part by such debtor unless the debts are: (a) incurred by such debtor, his wife or family, for the common necessities of life; or, (b) incurred for personal services rendered by any employee, or former employee, of such debtor.

SEC. 4. Section 690.26 of said code is amended to read:

690.26. (1) If the property mentioned in Sections 690.1 to 690.25, inclusive, shall be levied upon under writ of attachment or execution, the defendant or judgment debtor (herein referred to as "the debtor"), in order to avail himself of his exemption rights as to such property, shall deliver to the levying officer an affidavit of himself or his agent, together with a copy thereof, alleging that the property levied upon, identifying it, is exempt, specifying the section or sections of this code

Affidavit of
exemption

on which he relies for his claim to exemption, and all facts necessary to support his claim, and also stating therein his address within this State for the purpose of permitting service by mail upon him of the counteraffidavit and any notice of the motion herein provided.

Service of
affidavit

(2) Forthwith upon receiving the affidavit of exemption the levying officer shall serve upon the plaintiff or the person in whose favor the writ runs (herein referred to as "the creditor"), either personally or by mail, a copy of the affidavit of exemption, together with a writing, signed by the levying officer, stating that the claim to exemption has been received and that the officer will release the property unless he receives from the creditor a counteraffidavit within five days after service of such writing.

Counter-
affidavit

(3) If the creditor desires to contest the claim to exemption, he shall within such period of five days, file with the levying officer a counteraffidavit alleging that the property is not exempt within the meaning of the section or sections relied upon, or if the claim to exemption be based on Sections 690.1, 690.3, 690.6, 690.8, 690.9, 690.12, 690.17, 690.18, 690.21, 690.24, alleging that the value of the property claimed to be exempt is in excess of the value stated in the applicable section or sections, together with proof of service of a copy of such counteraffidavit upon the debtor.

Release of
property

(4) If no such counteraffidavit, with such proof of service, is so filed with the levying officer within the time allowed, the officer shall forthwith release the property.

Motion for
hearing

(5) If such counteraffidavit, with such proof of service, is so filed, either the creditor or the debtor shall be entitled to a hearing in the court in which the action is pending or from which the writ issued for the purpose of determining the claim to exemption, or the value of the property claimed to be exempt. Such hearing must be granted by the court upon motion of either party made within five days after the counteraffidavit is filed with the levying officer, and such hearing must be had within 15 days from the date of the making of such motion unless continued by the court for good cause. The party making the motion for hearing must give not less than five days' notice in writing of such hearing to the levying officer and to the other party and specify therein that the hearing is for the purpose of determining the claim to exemption. The notice may be of motion or of hearing and upon the filing of the notice with the clerk of court, the motion is deemed made.

Notice

Failure to
make motion

(6) If neither party makes such motion within the time allowed, the levying officer shall forthwith release the property to the debtor.

Sale of
perishable
property

(7) At any time while the proceedings are pending upon motion of either party or upon its own motion, the court may (a) order the sale of any perishable property held by such officer and direct disposition of the proceeds of such sale; and (b) make such other orders as may be proper under the particular circumstances of the case. Any orders so made may

be modified or vacated by the court or judge granting the same, or by the court in which the proceedings are pending, at any time during the pendency of the proceedings, upon such terms as may be just.

(8) The levying officer in all cases shall retain physical possession of the property levied upon if it be capable of physical possession, or in the case of property not capable of physical possession, the levy shall remain in full force and effect, pending the final determination of the claim to exemption; provided, however, that no sale under execution shall be had prior to such final determination unless an order of the court hearing the claim for exemption shall so provide.

Retention of
possession
by levying
officer

(9) At such hearing, the party claiming the exemption shall have the burden of proof. The affidavits and counteraffidavits shall be filed by the levying officer with the court and shall constitute the pleadings, subject to the power of the court to permit an amendment in the interests of justice. The affidavit of exemption shall be deemed controverted by the counteraffidavit and both shall be received in evidence. Nothing herein contained shall be construed to deprive anybody of the right to a jury trial in any case where by the Constitution such right is given, but a jury trial shall be waived in any such case in like manner as in the trial of an action. No findings shall be required in a proceeding under this section. When the hearing is before the court sitting without a jury, and no evidence other than the affidavit and counteraffidavit is offered, the court if satisfied that sufficient facts are shown thereby, may make its determination thereon; otherwise, it shall order the hearing continued for the production of other evidence, oral or documentary, or the filing of other affidavits and counteraffidavits. At the conclusion of the hearing, the court shall give judgment determining whether the claim to exemption shall be allowed or not, in whole or in part, which judgment shall be determinative as to the right of the creditor to have the property taken and held by the officer or to subject the property to payment or other satisfaction of his judgment. In such judgment the court shall make all proper orders for the disposition of such property or the proceeds thereof.

Procedure
at hearing

(10) A copy of any judgment entered in the trial court shall be forthwith transmitted by the clerk to the levying officer in order to permit such officer to either release the property attached or to continue to hold it or sell it, in accordance with the provisions of the writ previously delivered to him. Such officer, unless an appeal from the judgment be waived, or the judgment has otherwise become final, shall continue to hold such property under attachment or execution, continuing the sale of any property held under execution until such judgment becomes final; provided, however, that if a claim to exemption under Section 690.11 be allowed by such judgment, the debtor shall be entitled to a release of the earnings so exempted at the expiration of three days, unless otherwise ordered by the court or unless the levying officer shall

Judgment

have been served with a copy of a notice of appeal from the judgment.

Service by
mail

(11) When any documents required hereunder are served by mail, the provisions of this code relating to service by mail shall be applicable thereto.

Extension
of time

(12) Whenever the time allowed for an act to be done hereunder is extended by the court, written notice thereof shall be given promptly to the opposing party, unless such notice be waived, and to the levying officer.

Appeal

(13) An appeal lies from any judgment under this section; such appeal to be taken in the manner provided for appeals in the court in which the proceeding is had.

CHAPTER 794

An act to amend Section 6007 of the Revenue and Taxation Code, relating to sales and use taxes.

In effect
September
7, 1955

[Approved by Governor May 26, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 6007 of the Revenue and Taxation Code is amended to read:

6007. A "retail sale" or "sale at retail" means a sale for any purpose other than resale in the regular course of business in the form of tangible personal property.

The delivery in this State of tangible personal property by an owner or former owner thereof or by a factor, or agent of such owner, former owner or factor, if the delivery is to a consumer or person for redelivery to a consumer, pursuant to a retail sale made by a retailer not engaged in business in this State, is a retail sale in this State by the person making the delivery. He shall include the retail selling price of the property in his gross receipts.

CHAPTER 795

An act to amend Section 6384 of, and to add Section 6007.5 to, the Revenue and Taxation Code, relating to sales and use taxes.

In effect
September
7, 1955

[Approved by Governor May 26, 1955 Filed with
Secretary of State May 27, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 6384 of the Revenue and Taxation Code is amended to read:

6384. Notwithstanding any other provision of law the tax imposed under this part shall apply to the gross receipts from the sale of any tangible personal property to contractors pur-

chasing such property either as the agents of the United States or for their own account and subsequent resale to the United States for use in the performance of contracts with the United States for the construction of improvements on or to real property in this State.

SEC. 2. Section 6007.5 is added to said code, to read:

6007.5. A sale of tangible personal property to a contractor or subcontractor for use in the performance of contracts with the United States for the construction of improvements on or to real property in this State is a retail sale. The gross receipts from such a sale or the sales price of property so sold shall be included in the measure of the taxes imposed by this part.

CHAPTER 796

An act to add Sections 404.1, 404.2, 404.3, and 404.4 to the Vehicle Code, relating to service of process on persons outside of the State in actions arising out of the ownership, operation, or driving of motor vehicles, and the time within which such actions must be commenced.

[Approved by Governor May 26, 1955. Filed with Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 404.1 is added to the Vehicle Code, to read:

404.1. Service of Process on Resident Accepting Certificate of Ownership or Registration. The acceptance by a resident of this State of a certificate of ownership or a certificate of registration of any motor vehicle or any renewal thereof, issued under the provisions of this code, shall constitute the consent by such person that personal service of summons may be made upon him at any place where he may be found, whether or not he is then a resident of this State, with the same force and effect as though served within this State, in any action brought in the courts of this State upon a cause of action arising in this State out of the ownership or operation of said vehicle.

SEC. 2. Section 404.2 is added to said code, to read:

404.2. Service of Process on Person Accepting or Retaining Operator's or Chauffeur's License. The acceptance by a resident of this State, after the effective date of this section, of an operator's or chauffeur's license issued pursuant to the provisions of this code, shall constitute the consent of such person that personal service of summons may be made upon him at any place where he may be found and whether or not he is then a resident of this State, with the same force and effect as if served within the State in any action brought in the courts of this State upon a cause of action arising in this State out of his driving a motor vehicle upon any public road or highway in this State.

Consent to
personal
service
Resident's
acceptance
of certificate
of owner-
ship or
registration

Same -
Resident's
acceptance
of driver's
license

Retention
of driver's
license

The retention of an operator's or chauffeur's license issued under the provisions of this code by a resident of this State for more than 180 days after the effective date of this section shall likewise operate as a consent of the licensed holder to the service of summons as hereinbefore provided for as to a person accepting an operator's or chauffeur's license after said effective date.

Manner of
service

SEC. 3. Section 404.3 is added to said code, to read:

404.3. Manner of Serving Process; Time to Appear. In the event summons is served outside of this State, pursuant to the provisions of Sections 404.1 and 404.2, it may only be served by a public officer of the state in which service is made, qualified by the laws of that state to serve process, or by an elisor appointed for that purpose by the court out of which the summons is issued. In the event of such service outside the State, the person so served shall have 60 days in which to appear in the action in which the summons is issued.

Time to
appear

SEC. 4. Section 404.4 is added to said code, to read:

Statute of
limitation
not tolled

404.4. When Statutes of Limitation Are Not Tolloed. Notwithstanding any provisions of Section 351 of the Code of Civil Procedure to the contrary, when summons may be personally served upon a person as provided in Sections 404.1 and 404.2, the time of his absence from this State is part of the time limited for the commencement of the action described in said sections, except when he is out of this State and cannot be located through the exercise of reasonable diligence; provided, this Section 404.4 in no event shall be applicable in any action or proceeding commenced on or before September 7, 1956.

CHAPTER 797

An act to amend Sections 3212 and 3212.5 of the Labor Code, relating to workmen's compensation.

In effect
September
7, 1955

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 3212 of the Labor Code is amended to read:

Sheriff's
office
members,
police and
firemen

3212. In the case of members of a sheriff's office or of police or fire departments of cities, counties, cities and counties, districts or other public or municipal corporations or political subdivisions, whether such members are volunteer, partly paid, or fully paid, and in the case of active fire-fighting members of the Division of Forestry of the State Department of Natural Resources whose duties require fire fighting or of any county forestry or fire-fighting department or unit, whether voluntary, fully paid, or partly paid, and in the case of members of the warden service of the Wildlife Protection Branch of the Department of Fish and Game whose

principal duties consist of active law enforcement service, excepting those whose principal duties are clerical or otherwise do not clearly fall within the scope of active law enforcement service such as stenographer, telephone operators, and other office workers, the term "injury" as used in this act includes hernia when any part of the hernia develops or manifests itself during a period while such member is in the service in such office, division, department or unit, and in the case of members of such fire departments, county forestry or fire-fighting departments, and in the case of active fire-fighting members of the Division of Forestry whose duties require fire fighting, and in the case of members of the warden service of the Wildlife Protection Branch of the Department of Fish and Game whose principal duties consist of active law enforcement service, excepting those whose principal duties are clerical or otherwise do not clearly fall within the scope of active law enforcement service such as stenographer, telephone operators, and other office workers, the term "injury" includes pneumonia and heart trouble which develops or manifests itself during a period while such member is in the service of such office, department or unit. In the case of regular salaried county or city and county peace officers, the term "injury" also includes any hernia which manifests itself or develops during a period while the officer is in the service. The compensation which is awarded for such hernia, heart trouble or pneumonia, shall include full hospital, surgical, medical treatment, disability indemnity, and death benefits, as provided by the workmen's compensation laws of this State.

Hernia

Pneumonia
and heart
trouble

Such hernia, heart trouble or pneumonia so developing or manifesting itself in such cases shall be presumed to arise out of and in the course of the employment. This presumption is disputable and may be controverted by other evidence, but unless so controverted, the commission is bound to find in accordance with it.

Sec. 2. Section 3212.5 of said code is amended to read:

3212.5. In the case of a member of a police department of a city or municipality, or a member of the State Highway Patrol, when any such member is employed under civil service upon a regular, full-time salary, and in the case of a sheriff or deputy sheriff employed upon a regular, full-time salary, the term "injury" as used in this division includes heart trouble and pneumonia which develops or manifests itself during a period while such member, sheriff, or deputy sheriff is in the service of the police department, or the State Highway Patrol, or the sheriff's office, as the case may be. The compensation which is awarded for such heart trouble or pneumonia shall include full hospital, surgical, medical treatment, disability indemnity, and death benefits as provided by the provisions of this division.

City police,
highway
patrolmen,
sheriffs, etc.Pneumonia
and heart
trouble

Such heart trouble or pneumonia so developing or manifesting itself shall be presumed to arise out of and in the course of the employment; provided, however, that the mem-

ber of the police department or State Highway Patrol or the sheriff or deputy sheriff shall have served five years or more in such capacity before the presumption shall arise as to the compensability of heart trouble so developing or manifesting itself. This presumption is disputable and may be controverted by other evidence, but unless so controverted, the commission is bound to find in accordance with it.

CHAPTER 798

An act to amend Section 18932 of the Government Code, relating to age limits for state civil service examinations.

In effect
September
7, 1955

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 18932 of the Government Code is amended to read:

18932. The board shall not establish any minimum or maximum age limits for any civil service examination, except in the cases of positions involving public health or safety or having the powers and duties of a peace officer, as defined in Section 817 of the Penal Code, and for trainee positions the board may establish minimum and maximum age limits. The board shall waive such age limits for persons competing in examinations on a promotional basis. The board may refuse to examine or after examination to declare or certify as eligible any one who is within one year of the compulsory retirement age provided by law for the class of positions to which the person seeks appointment.

Any person possessing all the minimum qualifications for any state position is eligible, regardless of his age, to take any civil service examination given for that position, except as provided in this section.

CHAPTER 799

An act to repeal Sections 353, 1003, 1004, 1005, 1801, 1802, 1803, 1813, 1830, 1831, 1832, 1833, 1834, 1862, 1863, 1864, 1865, 1866, 1867, 1868, 1869, 1870, 1871, 1872, 1901, 1943, 1944, 2108, 2154, 2155, 2158, 3122, 3123, 3124, 3125, 3126, 3128, 3130, 3131, 3132, 3133, 3152, 3222, 3637, 4121, 4122, 4123, 4124, 4126, 4127, 4128, 4622, 4623, 4624, and 4625 of, to amend Sections 3121, 3151, 4101, 4102, 4103, 4151, 4621, and 4626 of, to add Sections 1800, 1801, 1804, 1821, 1822, 1823, 1824, 1825, 1826, 1829, 1830, 1832, 1844, 1873, 1874, 1893, 1894, 1895, 1896, 1898, 1899, 1900, 1901, 1903, 1904, 1905, 1911, 1912, 2108, 3122, 3124, 4105, 4107, 4622, 4623, 4624, 4625, and 4948 to, to amend and renumber Sec-

tions 1002, 1804, 1805, 1806, 1807, 1808, 1809, 1810, 1811, 1812, 1814, 1815, 1816, 1817, 1818, 1819, 1820, 1821, 1822, 1823, 1824, 1825, 1826, 1827, 1828, 1829, 1861, 1903, 1921, 1941, 1942, 2151, 2152, 2153, 2156, 2157, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 3127, 3129, and 4125 of, to repeal Article 4 of Chapter 10 of Division 2 of, to repeal Article 5, Chapter 12, Division 2 of, to repeal the article headings of Articles 2, 3, 4 and 5, Chapter 4, Division 2 of, to repeal the chapter heading of Chapter 5.5, Division 2 of, to repeal the article heading of Article 2, Chapter 12, Division 2 of, to amend the chapter heading of Chapter 4, Division 2 of, to amend the article headings of Article 1, Chapter 4, Division 2, Articles 2 and 3, Chapter 10, Division 2, Article 1, Chapter 12, Division 2, Article 3, Chapter 12, Division 2 of, and to add new article headings to Articles 2, 3, and 4 of, Chapter 4, Division 2 of, the Education Code, relating to the Public School System.

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Sections 353, 1003, 1004, 1005, 1801, 1802, 1803, 1813, 1830, 1831, 1832, 1833, 1834, 1862, 1863, 1864, 1865, 1866, 1867, 1868, 1869, 1870, 1871, 1872, 1901, 1943, 1944, 2108, 2154, 2155, 2158, 3122, 3123, 3124, 3125, 3126, 3128, 3130, 3131, 3132, 3133, 3152, 3222, 3637, 4121, 4122, 4123, 4124, 4126, 4127, 4128, 4622, 4623, 4624, and 4625 of the Education Code are hereby repealed. Repeals

SEC. 2. The article headings of Articles 2, 3, 4, and 5 of Chapter 4, Division 2, the article heading of Article 2, Chapter 12, Division 2, and the chapter heading of Chapter 5.5, Division 2, of said code are hereby repealed.

SEC. 3. Article 4, Chapter 10, Division 2 and Article 5, Chapter 12, Division 2 are hereby repealed.

SEC. 4. The chapter heading of Chapter 4, Division 2 of said code is amended to read:

CHAPTER 4. COMPOSITION, ELECTION AND APPOINTMENT OF
ELEMENTARY SCHOOL DISTRICT GOVERNING BOARDS

SEC. 5. The article heading of Article 1, Chapter 4, Division 2 of said code is amended to read:

Article 1. General Provisions

SEC. 6. Section 1800 is added to said code, to read:

1800. As used in this chapter:

(a) "Any elementary school district" means elementary school districts of every kind or class. Definitions

(b) "Joint elementary school district" means an elementary school district situated in more than one county.

(c) "Union elementary school district" means an elementary school district composed of two or more elementary school districts situated in the same county.

(d) "Joint union elementary school district" means an elementary school district composed of two or more elementary school districts situated wholly or in part in different counties.

(e) "Voter" means "registered voter."

Except as provided in any city charter or in Sections 2107, 2108, and 2205, the provisions of this chapter other than Sections 1873 and 1874 shall not apply to any elementary school district governed by a city board of education.

SEC. 7. Section 1801 is added to said code, to read:

Qualifica-
tions of
board
members

1801. Any person, regardless of sex, who is 21 years of age or older, a citizen of the State, a resident of the school district, a registered voter, and who is not disqualified by the Constitution or laws of the State from holding a civil office, is eligible to be elected or appointed a member of a governing board of an elementary school district.

SEC. 8. Section 1002 of said code is amended and renumbered to read:

Number of
members
Elementary
school
district

1802. Except as provided in this section or in Section 1803, the governing board of any elementary school district shall be composed of three members selected at large from the territory comprising the district. Whenever, in any elementary school district having a governing board of three members, the average daily attendance during the preceding fiscal year became 300 or more, the governing board of the district shall do either of the following:

(a) By its own action determine that the number of members of the governing board shall be increased to five, in which case two additional members shall be elected at the next regular governing board member election.

(b) Submit the question of whether the number of members of the governing board shall be increased to five to the voters of the elementary school district at the next regular governing board member election. At the same election two additional members shall be elected to take office if the number of governing board members is increased.

If, pursuant to either subdivision (a) or subdivision (b) of this section, two additional governing board members are authorized and elected, the one receiving the higher number of votes shall hold office for a term of two years from July 1st succeeding the election, and the other one shall hold office for a term of one year from July 1st succeeding the election. Thereafter the governing board shall be composed of five members elected in the same manner and for the same term as provided in this chapter for governing boards having five members.

SEC. 9. Section 1861 of said code is amended and renumbered to read:

1803. The governing board of any union or joint union elementary school district shall be composed of five members selected at large from the territory comprising the district. Same Union and joint union districts

SEC. 10. Section 1804 is added to said code, to read:

1804. Any member of the governing board of any elementary school district whose term has expired shall continue to discharge the duties of his office until his successor has qualified. The term of the successor shall begin upon the expiration of the term of his predecessor. Service upon expiration of term

SEC. 11. A new article heading, Article 2, is added to Chapter 4, Division 2, of said code, immediately preceding Section 1821, to read:

Article 2. Election and Appointment of Elementary School District Governing Boards

SEC. 12. Section 1821 is added to said code, to read:

1821. Within 15 days after the action necessary for the formation of any elementary or union elementary school district is completed, the county superintendent of schools shall appoint an interim governing board. Interim governing boards

Within 15 days after the action necessary for the formation of any joint or joint union elementary school district is completed, the county superintendent of schools having jurisdiction over the district shall appoint a majority of the members of an interim governing board. If the new district is in two counties, the other county superintendent shall appoint the rest of the interim governing board members within such 15-day period. If the new district is in more than two counties, the other county superintendents shall appoint the rest of the interim governing board members within such 15-day period as may be agreed upon by them. If they cannot agree within such 15-day period, the county superintendent who appointed the majority of the interim governing board members shall appoint the rest of the members.

The term of each governing board member so appointed shall expire on the July 1st following the election of the first elected governing board of the district.

SEC. 13. Section 1822 is added to said code, to read:

1822. If a majority of the members of the interim governing board of any elementary school district is not appointed and qualified within such 15-day period, the county superintendent of schools having the power to appoint the interim governing board, or a majority thereof, shall assume the powers and duties belonging to the governing board until a majority of the governing board is selected and qualified. Failure to appoint

SEC. 14. Section 1823 is added to said code, to read:

1823. When the action necessary for the formation of a new elementary school district is completed prior to the first of February of any calendar year, a governing board member election shall be held on the third Friday in May of such year. When the action necessary for the formation of a new ele- Election of members

mentary school district is completed after the first of February of any calendar year, a governing board member election shall be held on the third Friday in May of the following year.

SEC. 15. Section 1824 is added to said code, to read:

Terms,
initial
election pro-
cedure, etc.

1824. The terms of the members elected at the initial election of governing board members in any new elementary school district shall begin on July 1st next succeeding their election. If the governing board has three members, the member receiving the highest number of votes shall hold office for a term of three years, the member receiving the next highest number of votes shall hold office for a term of two years, and the third member shall hold office for a term of one year. If the governing board has five members, the two members receiving the highest number of votes shall hold office for a term of three years, the two members receiving the next highest number of votes shall hold office for a term of two years, and the fifth member shall hold office for a term of one year.

SEC. 16. Section 1825 is added to said code, to read:

Annual
election

1825. After the initial election of governing board members in any elementary school district, a governing board member election shall be held annually on the third Friday of May to fill the offices of members whose terms expire on July 1st next succeeding the election. Each person elected shall hold office for a term of three years from July 1st next succeeding his election.

SEC. 17. Section 1826 is added to said code, to read:

Tie vote

1826. If a tie vote makes it impossible to determine either which of two or more candidates has been elected to the governing board or the term of office of a governing board member, the governing board shall forthwith notify the candidates who have received the tie votes to appear before it either personally or by a representative at a time and place designated by the governing board. The governing board shall at that time and place determine the tie by lot.

SEC. 18. Section 1804 of said code is amended and renumbered to read:

Notice of
election

1827. The governing board of any elementary school district shall post notices of any governing board member election in three public places in the district for 60 days and publish notices of the election once a week for three successive weeks in a newspaper of general circulation published in the district. Notices shall not be posted more than 100 days before the election. The publishing shall begin no more than 100 days before the election and shall be completed at least 60 days before the election. If there is no newspaper of general circulation published in the district, notice need not be published.

SEC. 19. Section 1805 of said code is amended and renumbered to read:

Failure to
post notice

1828. If the governing board of any elementary school district neglects or refuses to comply with Section 1827, then at any time not later than 15 days before the third Friday of May, any three registered voters of the district may notify the

county superintendent of schools having jurisdiction over the district of the failure of the governing board to post and publish notices. The county superintendent shall, as soon as possible after the receipt of such request, post election notices in three public places in the district. He shall also publish notices of the election once a week for two successive weeks in a newspaper of general circulation published in the district. If there is no newspaper of general circulation published in the district, notice need not be published. The cost of posting and publishing shall be a charge against the district.

SEC. 20. Section 1829 is added to said code, to read:

1829. Any notice of any elementary school governing board member election shall contain the following: Contents
of notice

- (a) The time, place, and purpose of the election.
- (b) The number of governing board members to be elected.
- (c) The location of the polls.
- (d) The hours during which the polls will be kept open.
- (e) The day and hour when the election returns will be canvassed by the governing board, which day shall be sometime between the fourth and seventh day after the election.
- (f) The place where the election returns will be canvassed by the governing board.

SEC. 21. Section 1830 is added to said code, to read:

1830. The governing board of the district shall designate polling places at one or more of the public school buildings in the district. The governing board may also designate additional polling places in the district. Polling
places

SEC. 22. Section 1806 of said code is amended and renumbered to read:

1831. The governing board of any elementary school district may subdivide the district into precincts for the holding of elections, and may change and alter the precincts from time to time. The board shall number the precincts consecutively and each precinct shall for the purpose of any school district election be known by the number designated. If the governing board does not subdivide the district into precincts, the entire district shall constitute one precinct. Precincts

SEC. 23. Section 1832 is added to said code, to read:

1832. The governing board shall appoint, as election officials, one inspector and two judges of election for each precinct. The governing board may appoint not more than two additional judges of election for any precinct. If some or all the election officials are not present at the time for opening the polls, the registered voters present may appoint substitutes for them. The substitutes, together with any inspector or judges appointed by the governing board who are present, shall proceed to conduct the election. Election
officials

SEC. 24. Section 1807 of said code is amended and renumbered to read:

1833. Any inspector and judge of election serving at any elementary school district election may be paid out of the funds of the district as compensation for his services as an Compensation

election official such sum as the governing board may determine, not to exceed the amount paid from the county treasury to officers of the last preceding general election. In districts in which the polls are not kept open for the same number of hours as at the last general election, the maximum compensation for election officers shall be a sum bearing the same relation to the amount paid to election officers of the last preceding general election as the number of hours the polls were open at the governing board member election bears to the number of hours the polls were open in the preceding general election.

SEC. 25. Section 1808 of said code is amended and renumbered to read:

Sample
ballots

1834. The governing board may mail to each registered voter within the district a sample ballot and a notice designating his polling place. The cost thereof may be paid out of the funds of the district. The sample ballot shall be printed on paper of a color different from that of the official ballot and shall be designated "Sample Ballot" upon the face thereof.

SEC. 26. Section 1809 of said code is amended and renumbered to read:

Opening
of polls

1835. In any elementary school district governing board member election, the polls shall be opened at the same hour and kept open at least until the same hour as were the polls at the last preceding general election, except that in elementary school districts having an average daily attendance during the preceding fiscal year of less than 500, the governing board may provide that the polls shall not be opened before 9 o'clock a.m. nor closed before 5 o'clock p.m. and shall be kept open for not less than four consecutive hours.

SEC. 27. Section 1810 of said code is amended and renumbered to read:

Qualified
electors

1836. In any elementary school district governing board member election, any resident of the district, who is a voter of the county and who is registered in a general election precinct wholly or partially within the school district at least 54 days before the election, may vote at the election.

SEC. 28. Section 1811 of said code is amended and renumbered to read:

Place of
voting

1837. A voter shall cast his ballot only in the school district precinct in which his place of residence is located.

SEC. 29. Section 1812 of said code is amended and renumbered to read:

Index of
registration

1838. The county superintendent of schools of each county, at the time the governing board of any elementary school district under his jurisdiction gives notice of any election, shall in writing officially request the county clerk or registrar of voters of each county or city and county within which the elementary school district is wholly or partially situated to furnish the governing board of the district with as many copies as may be needed, not exceeding four, of the index of the

registration book, as of the fifty-fourth day preceding the election, for each precinct in the county or city and county contained in whole or in part in the school district.

Upon receipt of the request, the county clerk or registrar of voters shall forward at least 20 days before the election to the clerk or secretary of the governing board the number of copies of the index requested. Copies of the index shall be supplied from any available copies in the custody of the county clerk or registrar of voters. If no copies are available, copies of the index of the registration book or any supplements thereto, shall be prepared by the county clerk or registrar of voters. The actual expense of the preparation of the index shall be a charge against the school district requiring the index.

SEC. 30. Section 1815 of said code is amended and renumbered to read:

1839. In any elementary school district governing board member election the name of any registered voter shall be placed on the official ballot if such person files with the county superintendent of schools having jurisdiction not less than 30 days prior to the election a declaration of candidacy substantially as follows: Declaration of candidacy

"I, -----, do hereby declare myself as a candidate for election to the governing board of ----- District, of the County of -----; I am a registered voter; if elected I will qualify and serve to the best of my ability; and I request my name be placed on the official ballots of the district, for the election to be held May -----, 19-----.

Residence address: -----."

In an election held under Section 1802 to elect additional governing board members all candidates for member of the governing board shall also indicate on their declaration of candidacy whether they are candidates for the existing office or for the new offices.

In a recall election all candidates for member of the governing board shall also state on their declaration of candidacy that they are candidates in the recall election to succeed the incumbent (naming him) if he is recalled.

SEC. 31. Section 1816 of said code is amended and renumbered to read:

1840. In lieu of the method prescribed in Section 1839, the name of any registered voter in the district shall be placed on the official ballot if proposed by written declaration with his consent. The declaration shall: Nomination by sponsors

(a) Be signed by not less than 3 nor more than 10 persons each of whom is a registered voter and is a parent of a pupil attending a school of the district.

(b) State the place of residence and the occupation of the signers.

(c) Contain an acceptance of nomination signed by the candidate.

(d) Be filed with the county superintendent of schools having jurisdiction not less than 30 days prior to the election.

(e) In an election held under Section 1802 to elect additional governing board members, contain a statement whether the proposed candidate is a candidate for the existing office or for the new offices.

(f) In a recall election, contain a statement that the proposed candidate is a candidate in the recall election to succeed the incumbent (naming him) if he is recalled.

SEC. 32. Section 1817 of said code is amended and renumbered to read:

Declaration
of candidacy
by sponsors

1841. The declaration of parents proposing a candidate for election to the governing board shall be in substantially the following form, subject to the provisions of Section 1840:

DECLARATION OF CANDIDACY BY SPONSORS

"I, the undersigned, am a registered voter and a parent of a pupil attending a school of the _____ School District. I hereby propose and sponsor _____, who resides at _____ (giving street address and name of city or town of residence, if any), _____ School District, County of _____, State of California, and who is a registered voter in the district, as a candidate for election to the governing board of the _____ School District, to be voted for at the election to be held on the _____ day of May, 19____, and I hereby assert as follows:

My knowledge of _____ is sufficient to warrant my urging his election to the governing board, and in my opinion he is mentally, morally, and physically fit for the office and should be elected to fill it.

My residence and occupation are correctly set forth after my signature hereto.

NAME	RESIDENCE	OCCUPATION
_____	_____	_____
_____	_____	_____
_____	_____	_____

I hereby accept the nomination as above proposed. If elected I will qualify and serve to the best of my ability.

Signature of proposed candidate"

SEC. 33. Section 1818 of said code is amended and renumbered to read:

Ballot

1842. The county superintendent of schools having jurisdiction shall furnish a uniform ballot for elementary school district governing board member elections and no other form of ballot shall be used.

SEC. 34. Section 1819 of said code is amended and renumbered to read:

Cost of
ballots

1843. The cost of printing and distributing ballots to any elementary school district under the jurisdiction of the county

superintendent of schools shall be paid by him from the county school service fund.

SEC. 35. Section 1844 is added to said code, to read:

1844. The candidates shall be placed on a single list on the ballot regardless of how many members are to be elected. When one member of the governing board is to be elected, the candidate receiving the highest number of votes shall be elected. When two or more members are to be elected, the two or more candidates receiving the highest number of votes shall be elected. Each voter may vote for as many candidates as there are members to be elected. The ballot shall contain instructions stating the maximum number of candidates for whom each voter may vote.

Listing of
candidates

In an election held under Section 1802 to elect additional governing board members, the candidates for the new offices shall be listed separately from the candidates for the existing office and shall be voted for separately.

When an election to recall a governing board member is held on the third Friday in May, the candidates for the office to succeed the incumbent if he is recalled shall be listed separately from the candidates to succeed governing board members whose recall is not sought.

SEC. 36. Section 1820 of said code is amended and renumbered to read:

1845. The form of the ballot shall be as follows:

Form of
ballot

“Official ballot provided by the superintendent of schools to be used in the governing board member election on May _____, 19____, in _____ District in the County of _____.”

The name of the county and elementary school district and the date of the election shall be printed or typewritten in as part of the official ballot.

Following the above there shall be listed the names of any incumbent governing board members who are candidates, followed by the names of the other candidates. The names in each group shall be listed alphabetically. The name of each candidate shall be printed or typewritten on the ballot with a blank square after each name in which the voter may place his cross (+). Following the list of candidates, the ballot shall provide at least as many blank lines, with blank squares following, as there are members to be elected.

SEC. 37. Section 1825 of said code is amended and renumbered to read:

1846. The county superintendent of schools having jurisdiction shall furnish for any elementary school district governing board member election, in addition to the official ballots, an official roster of voters and tally lists. The heading of the roster of voters shall read: “Official roster of voters of _____ School District for the school election held on the _____ day of May, 19____.” Under this heading shall be arranged two columns. The first column shall have printed

Roster of
voters and
tally list

as its heading: "Write your name as it appears on the great register." The second column shall have printed as its heading: "Write your residence, street and number." Any person offering to vote at the school election shall write his name in the first column of the roster of voters, and his residence in the second column.

SEC. 38. Section 1826 of said code is amended and renumbered to read:

Form of
tally list

1847. The tally list shall have printed as its heading: "An official tally list of _____ School District for the school election held on the _____ day of May, 19____." It shall be arranged in lines so as to give room for at least five candidates and shall be vertically ruled, providing for counting the votes under a tally system. The final column shall have as its heading: "Total votes cast for each candidate." At the bottom of the page shall be provided a space for the signatures of the election officers and over these signatures shall be printed the words: "We hereby certify that this is a correct report of the election held in _____ School District on _____ of May, 19____."

SEC. 39. Section 1828 of said code is amended and renumbered to read:

Envelope

1848. The county superintendent of schools having jurisdiction shall furnish, in addition to the ballots and roster of voters and tally list, an envelope on which shall be printed his name and address, and in the lower left-hand corner the words: "Returns of election held in _____ School District, _____ County, on May _____, 19____."

SEC. 40. Section 1821 of said code is amended and renumbered to read:

Method of
voting

1849. In casting his vote the voter shall stamp or write a cross (+) in the square space immediately following the name of the candidate or candidates of his choice. If the voter desires to vote for a person whose name does not appear on the ballot, he shall himself write the name of the person in the space provided for that purpose on the ballot. When the voter writes the name of a person on the ballot he may, but need not, place a cross (+) after the name. After properly marking his ballot the voter shall hand it to the inspector who shall, in the presence of the voter, deposit the ballot in the ballot box.

SEC. 41. Section 1822 of said code is amended and renumbered to read:

Secret
ballot

1850. The governing board shall provide a private booth or room in which the voter may prepare his ballot.

SEC. 42. Section 1823 of said code is amended and renumbered to read:

Election-
eering

1851. No electioneering shall be carried on within any building in which the polls are located or within 100 feet of any entrance to the building.

SEC. 43. Section 1814 of said code is amended and renumbered to read:

1852. Any voter desiring to vote at the election shall write his name and address, or if he is unable to write, shall have his name and address written for him, on a roster of voters provided for that purpose. He shall announce his name and address to one of the election officers, who shall in an audible tone of voice repeat the name and address. If another election officer finds the name on the printed index, and it has not been canceled, he shall in like manner repeat the name and address and deliver to the voter a ballot which he shall be allowed to vote. Method of voting

The election clerk having in charge the copy of the index to the register or affidavits of registration shall, in like manner, repeat the name and shall write in the ruled space opposite the name, in figures, the line number designating the position of the name of the voter on the roster.

SEC. 44. Section 1824 of said code is amended and renumbered to read:

1853. Any person offering to vote may be challenged by any person entitled to vote in the election. The judges of the election shall thereupon administer to the person challenged an oath, in substance as follows: "You do swear (or affirm) that you are a citizen of the United States, that you are 21 years of age, that you have resided in this State one year, in this county 90 days, and in this school district 54 days preceding this election, that you reside in this school district precinct, and that your name is on the great register of this county, and was on the great register of a general election precinct wholly or partially within this school district at least 54 days before this election, and that you have not before voted this day." If he takes the oath prescribed in this section, his vote shall be received, otherwise his vote shall be rejected. Challenge and oath

SEC. 45. Section 1827 of said code is amended and renumbered to read:

1854. In any elementary school district governing board member election, the election officials shall publicly canvass the votes immediately after closing the polls, fill out the tally sheet, and certify to the correctness of the canvass made. Canvass by election officers

SEC. 46. Section 1829 of said code is amended and renumbered to read:

1855. The election officials shall fill in the blanks on the envelopes provided by the county superintendent of schools and shall enclose and seal in the envelopes the roster of voters and tally list and ballots cast at the election. The inspector of the election shall take possession of the returns. They shall be delivered forthwith to the clerk of the elementary school district. The clerk shall sign a receipt for the returns. At the time and place fixed in the notice of the election the governing board of the district shall meet, publicly canvass the returns, and issue certificates of election to the person or persons elected. Duplicate certificates of election shall be filed with the county superintendent of schools having jurisdiction over the district. Canvass by governing board

Immediately following its canvass of the returns, the governing board shall forward the returns to the county superintendent having jurisdiction over the district. The county superintendent shall keep the returns on file for one year.

SEC. 47. Section 1921 of said code is amended and renumbered to read:

Election or
appointment
in suspended
district

1856. Governing board members shall be elected or appointed in a suspended district at the same time and in the same manner as if it were not suspended.

SEC. 48. A new article heading, Article 3, is added to Chapter 4, Division 2 of said code, immediately preceding Section 1871, to read:

Article 3. Vacancies and Resignations on Elementary School District Governing Boards

SEC. 49. Section 1941 of said code is amended and renumbered to read:

Causes of
vacancy

1871. Vacancies on elementary school district governing boards are caused by any of the events specified in Section 1770 of the Government Code, or by a failure to elect. A vacancy resulting from resignation occurs when the written resignation is filed with the county superintendent of schools having jurisdiction over the district.

SEC. 50. Section 1942 of said code is amended and renumbered to read:

Appointment
to fill
vacancy

1872. When such a vacancy occurs the county superintendent of schools having jurisdiction shall appoint an eligible person to hold the office for the remainder of the unexpired term.

SEC. 51. Section 1873 is added to said code, to read:

Vacancies in
all offices
of board

1873. If for any reason vacancies should occur in all of the offices on any elementary school district governing board, the county superintendent of schools having jurisdiction shall have all the powers and perform all the duties of the governing board until one or more members are appointed and qualified.

SEC. 52. Section 1874 is added to said code, to read:

Powers and
duties of
remaining
members

1874. Whenever any of the offices on any elementary school district governing board is vacant, the remaining governing board member or members, if any, and any governing board member or members appointed to fill the vacancies or elected, who have qualified, shall have all the powers and perform all the duties of the governing board.

SEC. 53. A new article heading, Article 4, is added to Chapter 4 of Division 2 of said code, immediately succeeding Section 1874, to read:

Article 4. Recall of Elementary School District Governing Board Members

SEC. 54. Section 2151 of said code is amended and renumbered to read:

1891. Any elected or appointed member of any elective elementary school district governing board may be recalled pursuant to this article.

Recall of member of elective governing board

SEC. 55. Section 2152 of said code is amended and renumbered to read:

1892. A petition demanding the recall of any governing board member shall be filed for verification of signatures with the county superintendent of schools having jurisdiction over the district. If more than one governing board member is sought to be recalled, separate petitions shall be filed for each member sought to be recalled.

Petition

Before any signatures are obtained to a recall petition, a copy of the text of the petition shall be filed with the county superintendent of schools having jurisdiction, and the recall proceedings shall be deemed to be pending from the date of such filing.

SEC. 56. Section 1893 is added to said code, to read:

1893. No recall petition shall be circulated or filed for verification of signatures against any governing board member until he has held his office for at least six months.

Member in office for six months

SEC. 57. Section 1894 is added to said code, to read:

1894. The recall petition shall not be circulated by any person other than a registered voter of the district.

Circulation by registered voter

SEC. 58. Section 1895 is added to said code, to read:

1895. The recall petition shall contain a statement of not more than 200 words of the grounds on which the recall is sought, for the information of the voters. Any insufficiency of form or substance in this statement shall not affect the validity of the election and proceedings held thereunder.

Statement of grounds for recall

SEC. 59. Section 1896 is added to said code, to read:

1896. The recall petition shall be signed by registered voters equal in number to at least 20 percent of the registered voters of the district as of the time of filing the petition for verification of signatures.

Number of signatures required

SEC. 60. Section 2153 of said code is amended and renumbered to read:

1897. The signatures to the recall petition need not all be appended to one paper. If the district is situated in more than one county, each paper of the recall petition shall designate one of the counties and, of the signatures appended to such paper, only the signatures of the voters of the county designated shall be valid. Each signer shall add to his signature his place of residence, giving street and number. If no street or number exists, then a designation of the place of residence shall be given which will enable the location to be readily ascertained.

Signatures, addresses, etc., on separate papers

The date on which each signature was placed on the petition shall be indicated thereon either by the signer or by the person circulating the petition.

SEC. 61. Section 1898 is added to said code, to read:

1898. Each separate paper of each recall petition shall have attached to it an affidavit. The affidavit shall state that

Affidavit of circulator

the affiant is a registered voter of the district; that the affiant circulated that particular paper and saw each signer write his signature and residence thereon; and that according to the best information and belief of the affiant:

(a) Each is the genuine signature of the person whose name it purports to be.

(b) Each signer is a registered voter of the district.

(c) Each signature was obtained on the date indicated on the petition.

SEC. 62. Section 1899 is added to said code, to read:

Verification 1899. No petition shall be valid for the purpose for which it was circulated unless it shall be filed for verification of signatures within six months after the date on which a copy of the text of the petition was filed.

SEC. 63. Section 1900 is added to said code, to read:

Method of verification 1900. The signatures to the recall petition shall be verified as follows:

(a) If the school district is situated wholly in one county, the county superintendent of schools shall send the petition to the county clerk immediately upon the filing of the petition for verification of signatures. The county clerk shall examine the signatures and from the records of registration ascertain whether or not the petition is signed by the requisite number of registered voters. Within 10 days after the county clerk receives the petition, he shall attach to it his certificate showing the results of his examination and shall return the petition to the county superintendent.

(b) If the school district is situated in more than one county, the county superintendent shall, immediately upon the filing of the petition for verification of signatures, send each separate paper constituting the recall petition to the county clerk of the county designated on each paper. Each county clerk shall examine the signatures and from the records of registration ascertain the number of signatures of registered voters in the portion of the district lying in his county. The county clerk shall attach to the papers his certificate showing the results of his examination and also showing the total number of registered voters in the portion of the district lying in his county. Within 10 days after each county clerk receives the papers he shall return them to the county superintendent.

SEC. 64. Section 1901 is added to said code, to read:

Supple-
mental
petition 1901. If the number of signatures is not sufficient, a supplemental petition, in form a duplicate of the original petition, but bearing additional signatures, may be filed with the county superintendent of schools having jurisdiction within 10 days from the date on which the county superintendent received the last of the county clerks' certificates. In the manner provided in Section 1900, the county superintendent shall send the supplemental petition to the county clerks of the counties in which the district is situated, and the county clerks shall examine, certify, and return the supplemental petition to the county superintendent. If the signatures to the petition are

still insufficient, no action shall be taken thereon. The petition shall remain on file as a public record, and the failure to secure sufficient signatures shall not prejudice the filing later of an entirely new petition to the same effect.

SEC. 65. Section 2156 of said code is amended and renumbered to read:

1902. If the county superintendent of schools finds the petition, together with supplementary petitions, if any, sufficient he shall at once call a special election to be held in the district within not less than 35 nor more than 40 days after the date of the call, to determine whether the voters will recall the governing board member. If a regular election for the election of members of the governing board of the district is to occur not less than 35 nor more than 60 days from the date of the call for the special election, the county superintendent may, in his discretion, order the holding of the special election at the time the regular election is held. Special election for recall

SEC. 66. Section 1903 is added to said code, to read:

1903. The county superintendent of schools shall call the recall election by posting election notices in three public places in the district at least 35 days before the election, and by publishing a notice of the election once a week for three successive weeks in a newspaper of general circulation published in the district. If there is no such newspaper, notice need not be published. Notice of election

SEC. 67. Section 1904 is added to said code, to read:

1904. Except as provided in this article, the recall election shall be held and conducted by the county superintendent of schools having jurisdiction in substantially the same manner as elections held under Article 2 of this chapter. Conduct of election

SEC. 68. Section 1905 is added to said code, to read:

1905. The county superintendent of schools may consolidate recall elections of two or more governing board members. Consolidation of recall election

SEC. 69. Section 2159 of said code is amended and renumbered to read:

1906. Any registered voter of the district, except the governing board member whose recall is sought, may become a candidate for election at a recall election in the manner provided in Article 2 of this chapter. Candidates

SEC. 70. Section 2157 of said code is amended and renumbered to read:

1907. If a vacancy occurs in the office of the member sought to be recalled after a recall petition is filed for verification of signatures, the election shall nevertheless proceed as provided in this article. Vacancy after recall

SEC. 71. Section 2160 of said code is amended and renumbered to read:

1908. The county superintendent of schools having jurisdiction shall mail to each registered voter within the district a sample ballot on which there shall be printed in not more than 200 words the statement of the grounds on which the recall is sought set forth in the recall petition. Upon the same Statements on sample ballots

ballot there shall also be printed, in not more than 200 words, any statement submitted by the member sought to be recalled justifying his course in office.

SEC. 72. Section 2161 of said code is amended and renumbered to read:

Ballot
Contents

1909. There shall be printed on the recall ballot, as to every member whose recall is sought, the following question: "Shall (name of person against whom the recall petition has been filed) be recalled from the office of (title of the office)?" following which question shall be the words "Yes" and "No" on separate lines, with a blank space at the right of each, in which the voter shall indicate, by stamping or writing a cross (+), his vote for or against the recall.

SEC. 73. Section 2162 of said code is amended and renumbered to read:

Same

1910. On the recall ballots, under each question, there shall be printed the names of the candidates to succeed the incumbent if he is recalled. Following each list of candidates, the ballot shall provide one blank line with a blank square following, to allow the voter to write in a name not printed on the ballot.

SEC. 74. Section 1911 is added to said code, to read:

Statement

1911. On the recall ballots there shall be printed the same statements which were printed on the sample ballots.

SEC. 75. Section 1912 is added to said code, to read:

Recall vote
required for
candidate
vote

1912. No vote cast in the recall election shall be counted for any candidate for the office unless the voter also voted for or against the recall of the person sought to be recalled from that office.

SEC. 76. Section 2163 of said code is amended and renumbered to read:

Majority
vote

1913. If a majority or exactly half of those voting on the question of the recall of any incumbent from office vote "No," the incumbent shall continue in office. If a majority vote "Yes," the incumbent shall be deemed recalled from office, upon the qualification of his successor.

SEC. 77. Section 2164 of said code is amended and renumbered to read:

Canvass
of votes

1914. The inspector of the election shall deliver the returns to the county superintendent of schools having jurisdiction. At the time and place fixed in the notice of the election, the county superintendent shall publicly canvass the returns and declare the results. If a majority of the votes cast favor the recall of the member, the county superintendent shall declare the candidate who has received the highest number of votes for the office elected for the remainder of the term and shall issue a certificate of election to him. If the elected candidate fails to qualify within 10 days after receiving the certificate of election, the office shall become vacant and shall be filled as provided in Article 3 of this chapter.

SEC. 78. Section 2165 of said code is amended and renumbered to read:

1915. All costs of any recall election held under this article shall be a charge against the school district in which such election is held. Cost of election

SEC. 79. Section 2108 is added to said code, to read:

2108. Except as provided in Section 2107, whenever the charter of any city fails to provide for the manner in which, the times at which, or the terms for which the members of the city board of education shall be elected or appointed, for their qualifications, removal, or for the number which shall constitute such board, the provisions of Chapter 4 of this division shall apply to the matter not provided for. Applicability when city charter fails to make provisions

SEC. 80. Section 1902 of said code is amended and renumbered to read:

2710. The terms of the trustees in the districts uniting to form the joint district shall expire on the formation of the district. Expiration of terms upon formation of joint district

SEC. 81. The article heading of Article 2, Chapter 10, Division 2 of said code is amended to read:

Article 2. Composition, Election and Appointment of Governing Boards in Union or Joint Union Districts

SEC. 82. Section 3121 of said code is amended to read:

3121. In every union or joint union high school district, the governing board shall be composed of five members selected at large from the territory comprising the district. Membership

SEC. 83. Section 3122 is added to said code, to read:

3122. Except as provided in this article, when any union or joint union high school district is formed, it shall be governed by a high school board selected in the manner and for the terms provided in Articles 1 and 2 of Chapter 4 of this division for elementary school district governing boards. Vacancies on governing boards of union or joint union high school districts shall be determined and filled, and governing board members may be recalled in the manner provided in Articles 3 and 4 of Chapter 4 of this division for elementary school district governing boards. Selection of governing board

SEC. 84. Section 3129 of said code is amended and renumbered to read:

3123. In any election for members of the governing board of a union or joint union high school district, including recall elections, at least one polling place in each of the elementary school districts composing the high school district shall be designated; provided, that a suspended elementary school district may be combined with a contiguous elementary school district for the purposes of the election and the voters of both shall vote at the polling place designated in the active school district. Polling places

SEC. 85. Section 3124 is added to said code, to read:

3124. In any election for members of the governing board of a union or joint union high school district, including recall elections, the polls shall be open during the same hours as were the polls in the last preceding general election, except that Opening of polls

when any elementary school district located within the high school district is concurrently conducting a governing board member election the polls in such elementary school district may, in the discretion of the high school district governing board, be open only for the same hours as are the polls for the elementary school district election.

SEC. 86. Section 3127 of said code is amended and renumbered to read:

First
meeting and
organization

3125. Within 20 days after the appointment of the interim governing board, the county superintendent of schools having jurisdiction shall call a meeting of the high school board, by giving at least 10 days' notice by registered mail to each member, for the purpose of organizing the board. At the meeting the high school board shall organize by electing a president from its members and a secretary, and may transact any other business relating to the affairs of the district.

SEC. 87. The article heading of Article 3, Chapter 10, Division 2 of said code is amended to read:

Article 3. Composition, Election and Appointment of Governing Boards of County Districts

SEC. 88. Section 3151 of said code is amended to read:

Membership

3151. Any county high school district governing board shall be composed of five members elected in the same manner and for the same terms as governing board members of union and joint union high school districts. Vacancies on governing boards of county high school districts shall be determined and filled, and governing board members may be recalled in the manner provided for union and joint union high school districts.

SEC. 89. The article heading of Article 1, Chapter 12, Division 2 of said code is amended to read:

Article 1. Composition, Election and Appointment of Junior College Boards

SEC. 90. Section 4101 of said code is amended to read:

Members:
In districts
comprising
one high
school
district

4101. In any junior college district coterminous with a single high school district, of any type, the governing board of the high school district shall constitute the junior college board and after organizing as a junior college board shall have the management and control of the junior college in the district.

SEC. 91. Section 4102 of said code is amended to read:

Same: In
districts
comprising
more than
one high
school
district

4102. In every junior college district composed of more than one high school district, the junior college board shall be composed of five members. Except as provided in this article, the members shall be selected at large from the territory comprising the district.

SEC. 92. Section 4103 of said code is amended to read:

Election
by wards

4103. In any junior college district which is composed of more than one high school district and which is not governed

by a city board of education selected under a city charter, the junior college board may divide the district into five wards of nearly equal population and provide that one member of the board shall be elected from each ward by the voters of the ward.

SEC. 93. Section 4105 is added to said code, to read:

4105. Except as provided in this article, when any junior college district composed of more than one high school district is formed, it shall be governed by a junior college board selected in the manner and for the terms provided in Articles 1 and 2 of Chapter 4 of this division for elementary school district governing boards. Vacancies on governing boards of junior college districts shall be determined and filled, and governing board members may be recalled in the manner provided in Articles 3 and 4 of Chapter 4 of this division for elementary school district governing boards.

Junior college board

SEC. 94. Section 4125 of said code is amended and renumbered to read:

4106. In any junior college board member election including recall elections, at least one polling place in each of the elementary and unified school districts located in the junior college district shall be designated; provided, that a suspended elementary school district may be combined with a contiguous elementary school district for the purpose of the election and the voters of both shall vote at the polling place designated in the active school district.

Polling places

SEC. 95. Section 4107 is added to said code, to read:

4107. In any junior college board member election, including recall elections, the polls shall be open during the same hours as were the polls in the last preceding general election, except that when any elementary school district located within the junior college district is concurrently conducting a governing board member election, the polls in such elementary district may, in the discretion of the junior college board, be open only for the same hours as are the polls for the elementary district election.

Opening of polls

SEC. 96. The article heading of Article 3, Chapter 12, Division 2 of said code is amended to read:

Article 3. Organization of Junior College Boards

SEC. 97. Section 4151 of said code is amended to read:

4151. Within 20 days after the appointment of the junior college board provided for by Section 4105, the county superintendent of schools having jurisdiction shall call a meeting of the board by giving at least 10 days' notice by registered mail to each member, for the purpose of organizing the junior college board.

First meeting

SEC. 98. Section 4621 of said code is amended to read:

4621. Any unified school district which is coterminous with or includes within its boundaries a chartered city or city and county shall be governed by the board of education provided

Unified districts' governing board

for in the charter of the city or city and county. Sections 4622 through 4626 of this article shall not apply to such unified school districts, except as follows:

(a) As provided in the charter of the city or city and county.

(b) If the charter of the city or city and county fails to provide for a board of education or for any or all of the matters specified in Section 2108, Sections 4622 through 4626 shall apply as to the matter not provided for in the charter.

SEC. 99. Section 4622 is added to said code, to read:

Members
selected
at large

4622. The governing board of any unified school district created under the provisions of this chapter shall be composed of five members selected at large from the territory comprising the district.

SEC. 100. Section 4623 is added to said code, to read:

Members of
merged
elementary
school dis-
trict board

4623. When any unified school district is created under the provisions of this chapter, the members of the governing board of the elementary school district merged into the unified school district shall become the members of the governing board of the unified school district. They shall serve for the unexpired term for which they were selected as members of the governing board of the elementary school district.

If the governing board of the elementary school district consists of only three members, the county superintendent of schools having jurisdiction over the unified school district shall appoint two additional members to the board. The term of each member so appointed shall expire on the next succeeding July 1st.

SEC. 101. Section 4624 is added to said code, to read:

Selection
of members

4624. The governing board of any unified school district shall be selected in the manner provided in Articles 1 and 2 of Chapter 4 of this division for elementary school district governing boards and for the terms provided for in Section 4625.

SEC. 102. Section 4625 is added to said code, to read:

Terms

4625. The members of the governing board of any unified school district created under the provisions of this chapter shall each hold office for a term of four years, except that:

(a) At the first governing board member election following the creation of a unified school district into which was merged an elementary school district having a governing board of three members, the member receiving the highest number of votes shall hold office for a term of four years and the other two members shall each hold office for a term of three years.

(b) Where, at the first governing board member election following the creation of a unified school district into which was merged an elementary school district having a governing board of five members, one member is to be elected, the member elected shall hold office for a term of three years. At the next succeeding governing board member election the member receiving the highest number of votes shall hold office for

a term of four years and the other member shall hold office for a term of three years.

(c) Where, at the first governing board member election following the creation of a unified school district into which was merged an elementary school district having a governing board of five members, two members are to be elected, the member receiving the highest number of votes shall hold office for a term of four years and the other member shall hold office for a term of three years.

SEC. 103. Section 4626 of said code is amended to read:

4626. Vacancies on the governing board of any unified school district created under the provisions of this chapter shall be determined and filled, and governing board members may be recalled, in the manner provided in Articles 3 and 4 of Chapter 4 of this division for elementary school district governing boards. Vacancies

SEC. 104. Section 4948 is added to said code, to read:

4948. Except in unified school districts which include a city or city and county, the charter of which provides for the recall of members of the governing board, any member of any unified school district governing board may be recalled in the manner provided in Article 2 of Chapter 4 of this division for elementary school district governing board members. Recall

CHAPTER 800

An act to add Sections 26855.1, 26855.2, and 26855.3 to the Government Code, relating to fees of county clerks.

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26855.1 is added to the Government Code, to read:

26855.1. The fee for filing a power of attorney for an admitted surety insurer is two dollars (\$2), or, if more than one name is designated, two dollars (\$2) for each name.

SEC. 2. Section 26855.2 is added to said code, to read:

26855.2. The fee for filing a financial statement of an admitted surety insurer is two dollars (\$2).

SEC. 3. Section 26855.3 is added to said code, to read:

26855.3. The fee for filing a surrender, revocation, cancellation, annulment, or suspension of a certificate of surety is two dollars (\$2), or, if more than one name is designated therein, two dollars (\$2) for each name.

CHAPTER 801

An act to add Section 34333 to the Government Code, relating to newly incorporated cities.

In effect
September
7, 1955

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 34333 is added to the Government Code, to read:

34333. Whenever a city has been incorporated from territory formerly unincorporated, the board of supervisors shall continue to furnish, without additional charge, to the area incorporated all services furnished to the area prior to the incorporation. Such services shall be furnished for the remainder of the fiscal year during which the incorporation became effective or until the legislative body of the city requests discontinuance of the services, whichever first occurs.

CHAPTER 802

An act to amend Section 1038 of the Agricultural Code, relating to agricultural mineral sales.

In effect
September
7, 1955

[Approved by Governor May 26, 1955. Filed with
Secretary of State May 27, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1038 of the Agricultural Code is amended to read:

1038. Upon any sale not exempt from the provisions of this article, of commercial fertilizer, the registered person selling the same shall pay fifteen cents (\$0.15) per ton or fraction thereof, and upon such a sale of agricultural minerals, ten cents (\$0.10) per ton or fraction thereof, except that during the period from October 1, 1955, until the ninety-first day after final adjournment of the 1957 Regular Session of the Legislature the amount shall be three cents (\$0.03) per ton or fraction thereof, except where the agricultural mineral is sold to be used and is used in the manufacture of commercial fertilizer. A commercial fertilizers registrant selling agricultural minerals to an unregistered person in the original and properly labeled lots or packages of an agricultural minerals registrant shall pay thereon the agricultural minerals tonnage tax required by this section. Each registered person shall keep accurate accounts of sales of commercial fertilizers and/or agricultural minerals, and such accounts shall be open at all times to inspection by the director. A statement of sales shall be rendered to the director quarterly within one calendar month after March 31st, June 30th, September 30th, and December

31st, of each year, and shall be accompanied by the amount of tonnage license tax required by this section. Any delinquency in making a statement and return, or any deficiency in any return, shall subject the registrant to the payment of a penalty of ten percent (10%) of the amount due.

On receipt of the tonnage license tax and statement, the director shall issue to the registered seller a certificate of compliance with this section.

Whenever a registered person shall have paid the tonnage license tax herein required, any person acting as his selling agent shall not be required to pay the tonnage license tax.

CHAPTER 803

An act to amend Sections 1269b and 1295 of the Penal Code and Section 72301 of the Government Code, relating to admission to bail in municipal courts, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 27, 1955. Filed with
Secretary of State May 27, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 1269b of the Penal Code is amended to read:

1269b. In a municipal court, the clerk of the court shall, in the absence of a judge of said court, have authority to accept bail for the appearance before said court of any defendant charged in such court with a misdemeanor; provided, however, that whenever a defendant has been arrested and booked for having committed a misdemeanor and is held in custody in a county jail or a city jail, the clerk of the municipal court in the judicial district wherein the defendant was arrested and booked may, prior to the filing of a formal complaint, accept bail for the appearance before said court; provided, however, the amount thereof, in either event, shall be in accordance with a schedule of bail previously fixed and approved by the judges of said court unless a warrant shall have been issued for the arrest of the defendant, in which case the bail shall be in the amount fixed in the warrant; and provided also, the bail shall be cash or a surety bond executed by a certified, admitted surety insurer as provided in the Insurance Code of the State of California.

Misdemeanor:
Authority
of clerk to
accept bail

The authority to accept bail as in this section provided shall include authority to approve the same, to issue and sign an order for the release of the defendant, and to set a time and place for the appearance of the defendant before the appropriate division or judge of such court and give the defendant notice thereof.

SEC. 2. Section 1295 of the Penal Code is amended to read :

Deposit of
cash in lieu
of bail

1295. The defendant, or any other person, at any time after an order admitting defendant to bail or after the arrest and booking of a defendant for having committed a misdemeanor, instead of giving bail may deposit with the clerk of the court in which defendant is held to answer or notified to appear for arraignment, the sum mentioned in the order, or if no order, in accordance with the schedule of bail previously fixed by the judges of said court, and upon delivering to the officer in whose custody defendant is, a certificate of the deposit, defendant must be discharged from custody.

Bail less
than \$1,000

Whenever the defendant has been arrested and booked for having committed a misdemeanor for which the amount of bail has been fixed in a schedule of bail by the judges of the court having jurisdiction, or the amount of bail is endorsed on the warrant of arrest and does not exceed one thousand dollars (\$1,000), the defendant, or any other person, may deposit with the officer in charge of the jail wherein the defendant is detained, cash in the amount of the bail so fixed. Upon such deposit being made the defendant shall be notified of the time and place to appear for arraignment and discharged from custody. The money so deposited shall be transmitted to the judge or clerk of the court wherein the defendant is notified to appear for arraignment, or by which the warrant was issued, not later than the next business day.

SEC. 3. Section 72301 of the Government Code is amended to read :

Clerk's
schedule
of bail

72301. The clerk of the court or one or more deputy clerks shall be in attendance at the department at all hours of the day and night, including Sundays and holidays, and may fix and accept bail for the appearance before the court of any defendant charged in the court with an offense of which the court has jurisdiction or whenever a defendant has been arrested and booked within the territorial limits of said judicial district for having committed a misdemeanor. The amount of bail shall be pursuant to a schedule of bail in such cases previously fixed and approved by the judges of the court at their annual meeting. If a warrant has been issued for the arrest of the defendant, the bail shall be in the amount fixed in the warrant. The bail shall be cash, negotiable United States Treasury bonds, or a surety bond executed by a certified, admitted surety insurer as provided in the Insurance Code.

Urgency

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are :

Sections 1269b of the Penal Code and 72301 of the Government Code grant authority to clerks of municipal courts to accept bail from persons "charged" with misdemeanors in such courts. It has been the practice to admit most misdemeanants to bail within a few hours after arrest and before

the filing of a complaint. However, the Los Angeles County Counsel has recently advised, and the interpretation appears correct, that because these sections are applicable only if the defendant has been "charged," these sections do not grant authority to admit to bail until after a complaint has been filed.

As so interpreted these sections would impose a staggering burden on our already overcrowded jails. In the City of Los Angeles alone there were 148,662 misdemeanor arrests last year. This bill would relieve this situation by making it clear that a misdemeanant can be admitted to bail at any time after arrest and booking. This bill would also make it clear that a person may deposit cash in lieu of bail after arrest and booking for commission of a misdemeanor.

CHAPTER 804

An act to add Section 1238.4 to the Code of Civil Procedure, relating to eminent domain.

[Approved by Governor May 27, 1955. Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1238.4 is hereby added to the Code of Civil Procedure, to read:

1238.4. Subject to the provisions of this title, the right of eminent domain may be exercised in behalf of the following public uses:

Public Assembly Facilities. Public buildings and grounds for convention and exhibition halls, trade and industrial centers, auditoriums, opera houses, music halls and centers, and related facilities for public assembly including off-street motor vehicle parking places and property necessary or convenient for ingress thereto or egress therefrom.

CHAPTER 805

An act to add Section 25351.3 to the Government Code, relating to the powers and duties of boards of supervisors.

[Approved by Governor May 27, 1955. Filed with
Secretary of State May 27, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 25351.3 is hereby added to the Government Code, to read:

25351.3. In addition to its other powers and duties the board may acquire land for and construct, lease, sublease, build, furnish, refurnish or repair buildings for convention and exhibition halls, trade and industrial centers, auditoriums, opera houses, music halls and centers, and related facilities as

places of public assembly for the use, benefit and enjoyment of the public, including off-street parking places for motor vehicles, ways of ingress and egress and such other facilities and improvements as are necessary or convenient for their use.

The board may acquire land and construct such buildings, structures and facilities thereon in whole or in part, with county funds or it may, by contract or lease with any non-profit association or corporation, provide for the acquisition of land or the construction of such buildings, structures and facilities for such public purposes, upon such terms as the board may determine.

The board may without advertising for bids therefor also enter into a lease or contract with any nonprofit association or corporation for the maintenance, operation and management of such buildings, structures and facilities or any part thereof, including the scheduling and promotion of events therefor, for a specified term or terms. Such contracts shall provide that all revenue from such operation and use of such facilities, after payment of current expenses, taxes, loan payments and other current charges and expenses shall be applied to the cost of the improvement and thereafter shall be paid to the county.

CHAPTER 806

An act to amend Sections 54433 and 54434 of the Government Code and to add Section 20004 to the Water Code, relating to investigation and certification of revenue bonds by the California Districts Securities Commission.

In effect
September
7, 1955

[Approved by Governor May 28, 1955. Filed with
Secretary of State May 28, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 54433 of the Government Code is amended to read:

54433. Whenever the legislative body declares by resolution that it deems it desirable that the bonds should be certified as provided in this section and in Section 54434, the legislative body shall file a certified copy of the resolution with the California Districts Securities Commission and the bonds shall then be subject to investigation and certification by the California Districts Securities Commission pursuant to the Districts Securities Commission Law.

SEC. 2. Section 54434 of the Government Code is hereby amended to read as follows:

54434. If in the opinion of the commission, the bonds are adequately secured and the revenues of the enterprise and the other funds applicable to the payment of the bonds are, or upon the acquisition, construction, or improvement of the enterprise will be, sufficient to pay the principal of and the interest on the bonds, the commission shall certify that the

bonds are eligible as legal investments for public and private funds and as security for the deposit of public funds in banks in the State pursuant to the Districts Securities Commission Law and pursuant to Section 54433 and this section.

SEC. 3. Section 20004 is added to the Water Code, to read:

20004. Whenever a public body requests certification of district bonds for a project, the primary purpose of which project is not irrigation, reclamation, or drainage of land, the commission shall determine whether all or part of the provisions of this chapter shall apply to such public body and such bonds and the provisions so determined applicable shall apply, but in no event shall the commission certify any such bonds unless the commission completes an investigation to the extent necessary to protect the public interest.

CHAPTER 807

An act to amend Section 1200 of, and to add Section 1200.5 to, the Health and Safety Code, relating to clinics and dispensaries.

[Approved by Governor May 28, 1955 Filed with
Secretary of State May 28, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1200 of the Health and Safety Code is amended to read:

1200. No person, firm, partnership, association, corporation, or political subdivision of the State, or other governmental agency within the State shall operate, establish, manage, conduct or maintain a clinic or hold out, represent, or advertise by any means, the operation of a clinic in this State, without first obtaining a license therefor as provided in this chapter.

SEC. 2. Section 1200.5 is hereby added to the Health and Safety Code, to read:

1200.5. This chapter does not apply to, and no license is required by, a place or establishment wholly owned and operated by one or more licensed physicians and surgeons or one or more licensed dentists or one or more licensed chiropodists, and used as the office for the practice of medicine and surgery or dentistry or chiropody, as the case may be, of such owners, regardless of the name used publicly to identify such place or establishment.

CHAPTER 808

An act to add Sections 717.1, 748, 1015.4 and 1015.6 to, and to amend Sections 1015.5 and 1065 of, the Fish and Game Code, and to repeal Section 1015.1 of the Fish and Game Code and Section 2 of Chapter 1276 of the Statutes of 1947, relating to commercial fishing and the Marine Research Committee, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor May 31, 1955. Filed with
Secretary of State June 1, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 717.1 is added to the Fish and Game Code, to read:

Yellowtail

717.1. During each of the 12-month periods beginning with July 1, 1955, and July 1, 1956, the total amount of yellowtail which may be taken or received for commercial canning purposes shall be not more than 3,000 tons in the round.

Public an-
nouncement
of landing
trends

From time to time the department shall make public announcement of the landing trends in order that all interested groups may be informed. The department shall estimate from the current trend of landings the prospective date on which the season's quota will be reached and shall recommend that date to the commission as the closing date of the season for yellowtail canning.

Closing
date of
season

The department shall inform the commission and publicly announce the date when the season should be closed, and on that date the commission shall close the season; provided, however, that if the quota is not reached by the date announced, the department is hereby authorized to permit continuation of fishing for a period not to exceed 10 days or until the quota is reached, whichever occurs first.

No person shall take or receive yellowtail for canning between said announced date and the next following first day of July. In the absence of any announcement that the total will be reached before the end of the 12-month period, yellowtail canning may continue until the end of the 12-month period specified herein.

In the event that cannery receipts should exceed the quota specified between the time the announcement is made and the effective date for closure, no penalty shall accrue.

Canning for
personal use

Nothing in this section shall prohibit the canning of yellowtail for the personal use of the fishermen; provided, that no such canned yellowtail may be sold. Yellowtail for personal noncommercial canning is not included in the total tonnage specified herein.

Regulations

The commission is hereby authorized to adopt regulations pursuant to the provisions of this section to govern the termination of the yellowtail canning season.

SEC. 2. Section 748 is added to said code, to read:

Anchovies

748. During the period from September 1, 1955, to March 31, 1956, the total amount of anchovies which may be taken

or received for canning, including canned pet food, shall be not more than 21,000 tons. During the period from April 1, 1956, to March 31, 1957, the total amount of anchovies which may be taken or received for canning, including canned pet food, shall be not more than 35,000 tons.

From time to time the department shall make public announcement of the landing trends in order that all interested groups may be informed. The department shall estimate from the current trend of landings the prospective date on which the season's quota will be reached, and shall recommend that date to the commission as the closing date of the season for anchovy canning.

Public announcement of landing trends

The department shall inform the commission and publicly announce the date when the season should be closed, and on that date the commission shall close the season; provided, however, that if the quota is not reached by the date announced the department is hereby authorized to permit continuation of fishing for a period not to exceed 10 days or until the quota is reached, whichever occurs first.

Closing date of season

No person shall take or receive anchovies for canning between said announced date and the next following first day of April. In the absence of any announcement that the total will be reached before the end of the season specified herein, anchovy canning may continue until the end of the season specified.

In the event that cannery receipts should exceed the quota specified between the time the announcement is made and the effective date for closure, no penalty shall accrue.

No anchovies less than five inches in length measured from tip of snout to tip of tail may be purchased for any purpose except for use as bait; provided, that the allowable percentage of undersized anchovies which may be contained in any load or lot purchased shall be not more than 25 percent by weight of all anchovies in said load or lot.

Size

The commission is hereby authorized to adopt regulations pursuant to the provisions of this section to govern the termination of the anchovy canning season and the manner in which the percentage of undersized anchovies will be determined.

Regulations

SEC. 3. Section 1015.4 is added to said code, to read:

1015.4. There is in the department the Marine Research Committee consisting of nine members. Five of such members shall be men experienced in, and actively engaged in, the canning or reduction of sardines at the time of their appointment. Of the other four members, at least one shall be a representative of organized sportsmen's groups and at least one shall be a representative of organized labor. All members shall be appointed by the Governor, and shall hold office for two years or until their successors are appointed. The members of the committee shall serve without compensation. They shall be reimbursed from the Fish and Game Preservation Fund for their actual and necessary expenses.

Marine Research Committee

SEC. 4. Section 1015.5 of said code is amended to read:
Privilege tax 1015.5. Every person operating under a license as provided in this article shall, in addition to the license fee and to the tax provided in Section 1015, pay a privilege tax of five cents (\$0.05) for each hundred pounds or fraction thereof of sardines, Pacific mackerel, jack mackerel, squid, herring, and anchovies purchased, received or taken by him from the effective date of this act until December '31, 1957.

Said privilege tax shall be paid to the department at the same time and in the same manner as other privilege taxes provided in this article. The money received shall be deposited in the Fish and Game Preservation Fund.

Support of Money so deposited in the Fish and Game Preservation Fund shall be available for the support of the Marine Research Committee and the money shall be disbursed at the direction of a majority of the Marine Research Committee for the purpose of committee expenses and financing research in the development of commercial fisheries of the Pacific Ocean and of marine products susceptible to being made available to the people of California. No research project shall be authorized except by a majority of the committee. The committee may employ such technical and clerical assistants as may be necessary to carry out such research and may contract with any person or agency, public or private, including the Regents of the University of California, for the carrying on of such research projects.

SEC. 5. Section 1015.6 is added to the said code, to read:
Surplus 1015.6. All of the surplus composed of $2\frac{1}{2}$ percent of the privilege tax money collected and deposited and which remains in the Fish and Game Preservation Fund under Section 1015.5, except such sum as may be withdrawn to cover departmental services rendered to the committee, shall be made available to the Marine Research Committee upon the effective date of this section.

Committee The committee shall pay the department for accounting and to pay for other services rendered to the committee by the department. services rendered The fiscal year cost of such services shall not be in excess of 2 percent of the money so collected each fiscal year under Section 1015.5.

SEC. 6. Section 1065 of said code is amended to read:
Sardines 1065. Sardines may be taken for use in a reduction plant, or by a packer, only in accordance with the provisions of this article, as follows: in Districts 4, $4\frac{3}{4}$ and those portions of Districts $3\frac{1}{2}$ and 18 lying south of a line running east and west through Point Arguello, 19, 20A and 21, between October 1st and February 1st, inclusive; elsewhere in the State, except in Districts 19A and 20, between August 1st and January 15th. Sardines may be taken at any time on or after but not prior to June 1, 1957, for the purpose of salting, curing, smoking or drying, or for the purpose of packing in cans commonly known as quarter-pound or square cans less than 10 ounces in net weight; provided, that in a 10-ounce can,

fish of a size not less than eight fish to the can may be used. Sardines may be packed in their own natural oil.

SEC. 7. Section 2 of Chapter 1276 of the Statutes of 1947 ^{Repeal} is repealed.

SEC. 8. Section 1015.1 of the Fish and Game Code is re- ^{Repeal} pealed.

SEC. 9. Section 8 of this act becomes operative only if ^{Effect} Assembly Bill No. 490 is enacted by the Legislature at its 1955 ^{Stats. 1955,} Regular Session and in such case at the same time as said bill ^{Ch. 77} takes effect.

SEC. 10. Sections 3, 7, 8, and 9 of this act shall become ^{Effective} effective on the ninety-first day following adjournment of this ^{date} session of the Legislature.

SEC. 11. Sections 1, 2, 4, 5, and 6 of this act constitute an ^{Urgency} urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and said sections shall go into immediate effect. The facts constituting such necessity are:

The anchovy, sardine and yellowtail fisheries are among the most important of the State's fishery industries, contributing greatly to the wealth and prosperity of the people, providing valuable food and by-products, and recreational fishing. Indications are that these fish have or may become scarce, causing distress to the industry. Maintenance of these fisheries at a high level of productivity is essential to the well-being of the State's industry, including recreational fishing. In order to provide for the regulation of the 1955 fisheries during the summer, and for the continuation of the tax provisions of Section 1015.5 of the Fish and Game Code, it will be necessary for this act to be in effect on June 1, 1955.

CHAPTER 809

An act to add Section 618.5 to the Vehicle Code, relating to parking lights.

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 618.5 is added to the Vehicle Code, to read:

618.5. Parking Lights. No vehicle shall be driven upon a highway at any time with the parking lights lighted except when the lights are being used as signal lamps in accordance with Section 637 hereof, and except when the headlamps are also lighted at the same time. Parking lights are those lights permitted by Section 635 hereof, and any other lights mounted on the front of a vehicle, designed to be displayed primarily when the vehicle is parked.

CHAPTER 810

An act to amend Section 525.1 of the Vehicle Code, relating to driving upon highways in the right hand lane.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 525.1 of the Vehicle Code is amended to read:

525.1. Driving in Right Hand Lane. Notwithstanding the prima facie speed limits, upon all highways any vehicle proceeding in a direction at less than the normal speed of traffic in such direction at such time shall be driven in the right hand lane for traffic or as close as practicable to the right hand edge or curb, except when overtaking and passing another vehicle proceeding in the same direction or when preparing for a left turn at an intersection or into a private road or driveway.

CHAPTER 811

An act to amend Section 650 of the Unemployment Insurance Code, relating to commission salesmen.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 650 of the Unemployment Insurance Code is amended to read:

650. "Employment" does not include services performed as a real estate, business opportunity, mineral, oil and gas, or cemetery broker or salesman by an individual who is licensed in one of such classes by the State and who is remunerated solely by way of commission.

CHAPTER 812

An act to amend Sections 1552.4 and 1552.6 of the Welfare and Institutions Code, relating to the location and prosecution of parents of needy children.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1552.4 of the Welfare and Institutions Code is amended to read:

1552.4. The board of supervisors shall immediately notify the district attorney of the county whenever aid is granted to a child who is not being supported by a parent unless it is defi-

nately established that the parent is financially incapable of providing such support.

The county welfare department shall cooperate with the district attorney or the city prosecutor of any city to whom the duty of prosecuting such parent has been delegated and shall report to him all information contained in the case record which concerns the question of nonsupport and the suitability of prosecution as a method of obtaining support for the child in each case.

The district attorney shall immediately investigate the question of nonsupport and shall take all steps necessary to obtain support for the needy child. The district attorney shall report regularly to the board of supervisors on the progress of his efforts.

SEC. 2. Section 1552.6 of the Welfare and Institutions Code is amended to read:

1552.6. All state, county, and local agencies shall cooperate in the location of parents who have abandoned or deserted children receiving public assistance under Division 2 of Part 2 of the code, and shall on request supply the county welfare department, the district attorney of any county in this State, or the city prosecutor of any city to whom the duty of prosecuting such absent parents has been delegated, with all information on hand relative to the location, income, and property of such absent parents, notwithstanding any other provision of law making such information confidential. The county welfare department shall use such information only for the purposes of administration of aid to needy children, and the district attorney or city prosecutor shall use it only for the purpose of enforcing the support liability of such absent parents, and neither shall use the information, or disclose it, for any other purpose.

CHAPTER 813

An act to add Section 2842.5 to the Elections Code, relating to loyalty oaths.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2842.5 is added to the Elections Code, to read:

2842.5. Each member of a county central committee shall, before he enters upon the duties of his office, take and subscribe the oath or affirmation set forth in Section 3 of Article XX of the Constitution of California.

The oath or affirmation required by this section may be taken before any officer authorized to administer oaths and no fee shall be charged by any person before whom the oath is taken or subscribed.

CHAPTER 814

An act to amend Sections 7000.1, 7000.3, and 7190 of, and to add Section 7191 to, the Education Code, relating to correcting apportionments.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7000.1 of the Education Code is amended to read:

Substitute
for assessed
valuation

7000.1. Whenever in any section of this chapter any computation is required to be made which is based in whole or in part on the assessed valuation of a school district as shown by the equalized assessment roll of the district for the preceding year or preceding fiscal year, there shall be substituted for such assessed valuation, as to such computation, a sum determined by adding to such assessed valuation an amount which would, if the current tax rate, as defined in Section 7000.2, of such district were levied on such added amount, produce or will produce 40 percent of the equivalent of all federal funds as federal funds are defined in Section 7000.3 and 75 percent of the equivalent of all miscellaneous funds as miscellaneous funds are defined in Section 7000.4, received or to be received by such district for the fiscal year for which such added amount was determined.

Should the amount of federal funds as defined in Section 7000.3 actually received by a school district for any fiscal year be more or less than that reported for such district by the United States Commissioner of Education to the Superintendent of Public Instruction, the Superintendent of Public Instruction shall during the fiscal year next succeeding that in which the district has received all of the federal funds actually paid the district for the first mentioned fiscal year withhold from or add to the apportionment made to the district from the State School Fund the amount of the excess or deficiency, as the case may be, in the apportionment of State Equalization Aid from the State School Fund for the preceding year, if the amount of the excess or deficiency in such apportionment was one hundred dollars (\$100) or more.

SEC. 2. Section 7000.3 of said code is amended to read:

"Federal
funds"

7000.3. "Federal funds" as used in Section 7000.1 means: The amount the United States Commissioner of Education has determined and reported to the Superintendent of Public Instruction that the district has received or will receive for a fiscal year under Section 3, exclusive of increases in local contribution rates made because of unusual geographic factors, and under subsection (c) of Section 5, of the act of Congress entitled "An act to provide financial assistance for local educational agencies in areas affected by federal activities, and for other purposes," approved September 30, 1950 (Public

Law 874—Eighty-first Congress), or under any similar provisions of any other act of Congress.

SEC. 3. Section 7190 of said code is amended to read:

7190. If during any fiscal year there is apportioned to a school district or to any fund from the State School Fund at least one hundred dollars (\$100) more or at least one hundred dollars (\$100) less than the amount to which the district or fund was entitled, the Superintendent of Public Instruction, in accordance with regulations that he is herewith authorized to adopt not later than the third succeeding fiscal year shall withhold from, or add to, the apportionment made during such fiscal year, the amount of such excess or deficiency, as the case may be. Notwithstanding, any other provision of this code to the contrary, excesses withheld or deficiencies added by the Superintendent of Public Instruction under this Section or Section 7000.1 shall be added to or allowed from any portion of the State School Fund except that portion reserved as allowances for Basic State Aid.

SEC. 4. Section 7191 is added to said code, to read:

7191. When any judgment has been rendered which requires the apportionment from the State School Fund to any school district, to any other agency, or to any fund for any fiscal year of more than the amount actually apportioned thereto during such fiscal year, the difference shall be apportioned to the district, agency, or fund by the Superintendent of Public Instruction from the State School Fund during the fiscal year following that in which the judgment becomes final before any other apportionment from the State School Fund is made. Upon the becoming final of any judgment which requires the apportionment from the State School Fund to any school district, to any other agency, or to any fund for any fiscal year of less than the amount actually apportioned thereto during any fiscal year, the difference shall be deducted from the apportionment made to such district, agency, or fund by the Superintendent of Public Instruction from the State School Fund during the fiscal year following that in which the judgment becomes final.

CHAPTER 815

An act to amend Section 13004 of the Health and Safety Code, relating to the use of fire extinguishers.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13004 of the Health and Safety Code is amended to read:

13004. Every person is guilty of a misdemeanor who harvests grain or causes it to be harvested by means of a combined harvester, header, or stationary threshing machine, or

who bales hay by means of a hay press, unless he keeps at all times in convenient places upon each machine or press, two suitable chemical fire extinguishers, each of a capacity of not less than two and one-half gallons and fully equipped and ready for immediate use, or two back-pack or pump-type water extinguishers of not less than four-gallon capacity, fully equipped, filled with water and ready for immediate use.

CHAPTER 816

An act to amend Section 4151 of the Public Resources Code, relating to fire permits.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4151 of the Public Resources Code is amended to read:

4151. No person shall set fire or cause fire to be set to any forest, brush, or other inflammable vegetation growing on lands not his own, without the permission of the owner, lessee, or agent of such land, nor shall any person set fire or cause fire to be set to any such vegetation at any time between April 15th and December 1st of any year without first obtaining a written permit from the owner, lessee, or agent thereof and the State Forester or his duly authorized agent.

CHAPTER 817

An act to amend Section 6048 of the Insurance Code, relating to county mutual insurers.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6048 of the Insurance Code is amended to read:

6048. Except as provided in Section 6041 such insurer shall insure only property within the limits of the county wherein it is organized, or in a county next adjoining the county of organization. In the event that no such insurer may, under the provisions of the preceding sentence, insure property in a county contiguous to the said next adjoining county, then such insurer may also insure property in the said contiguous county.

CHAPTER 818

An act to amend Section 2672 of the Elections Code, relating to the disposition of filing fees of candidates.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2672 of the Elections Code is amended to read:

2672. A filing fee of ten dollars (\$10) shall be paid to the county clerk for filing a declaration of candidacy for an office to be voted for wholly within one county with the following exceptions:

(a) No filing fee is required from any person to be voted for at the presidential primary.

(b) No filing fee is required from any candidate for an office to the holder of which no fixed compensation is payable.

(c) No filing fee is required for offices the compensation to the holder of which does not exceed the sum of six hundred dollars (\$600) per annum.

(d) A filing fee of 1 percent of the annual salary of the office shall be paid to the county clerk by each candidate for a judicial office.

(e) The filing fee to be paid to the county clerk by each candidate for a county office other than a judicial office shall be the same percentage of the annual salary of the office as that provided for in subdivision (a) of Section 2671 of this code; provided, that this subdivision (e) shall not apply to any candidate for any such office which has an annual salary of two thousand five hundred dollars (\$2,500) or less.

CHAPTER 819

An act to add Section 139.261 to the Vehicle Code, relating to rules and regulations of the California Highway Patrol.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 139.261 is added to the Vehicle Code to follow Section 139.26, to read:

139.261. Every regulation adopted pursuant to Section 139.26 shall be adopted, amended, or repealed in accordance with the provisions of the Administrative Procedure Act.

CHAPTER 820

An act to add Section 1714.1 to the Civil Code, relating to liability of parents for torts of minors.

In effect
September
7, 1955

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1714.1 is added to the Civil Code, to read:

1714.1. Any act of wilful misconduct of a minor which results in any injury to the property of another shall be imputed to the parents having custody or control of the minor for all purposes of civil damages, and such parents having custody or control shall be jointly and severally liable with such minor for any damages resulting from such wilful misconduct.

The joint and several liability of one or both parents having custody or control of a minor under this section shall not exceed three hundred dollars (\$300) for each tort of the minor. The liability imposed by this section is in addition to any liability now imposed by law.

CHAPTER 821

An act to amend Section 818 of the Agricultural Code, relating to potato standards.

In effect
September
7, 1955

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 818 of the Agricultural Code is amended to read:

Standards

818. Potatoes shall be free from mold, decay, soft and wet rots, black heart and live insect larvae which have penetrated the flesh; and free from serious damage due to hollow heart, insect injury, freezing, sun scald, dry rots, scab, growth cracks, sunburn, greening, second growth, cuts, bruises, grass roots, nematodes, net necrosis or other internal discoloration, or other causes.

Damage to any one potato is not serious when it is caused by:

(a) Hollow heart unless the cracks or cavities, singly or in combination, are greater in length or width than one-third of the diameter of the tuber measured at the widest portion of the cross section, at a right angle to a straight line drawn from the stem end to the distal end thereof.

(b) Greening unless the affected portion has at least a greenish tinge of color and causes a waste of 10 percent, by

weight, of the individual potato. Light tan or cream colored flesh shall not be considered as damage.

(c) Cuts unless, (1) in the case of long varieties, both ends of the potato have been removed, or (2) more than one-fourth of any portion of the potato has been removed as indicated by the contour of the remaining portion of the potato, or (3) in the case of long varieties one end is removed and the remaining portion of the potato weighs less than six ounces, or (4) in the case of long varieties the cuts are on the sides and the total length of any one such cut is more than one-half the length of the potato. "Cuts" means that a portion of the potato has been removed by cutting, breaking or mechanical injury or any other cause.

(d) Net necrosis or other internal discoloration unless the affected portion has dark brown or black areas in the flesh and causes a waste of 10 percent, by weight, of the individual potato.

(e) Insect injury, freezing, sun scald, dry rots, scab, growth cracks, sunburn, second growth, bruises, grass roots, nematodes, or other causes unless such defects cause a waste of 10 percent, by weight, of the individual potato.

Not more than 5 percent, by weight, of the potatoes in any one container or bulk lot may contain internal defects, including those caused by hollow heart, net necrosis, or any other type of necrosis, stem-end browning, internal brown spots, or other similar types of discoloration not visible externally, but excluding black heart. Not more than 6 percent, by weight, of the potatoes in any one container or bulk lot may be below the other requirements of this section (including freedom from black heart), but not to exceed one-sixth of this tolerance shall be allowed for soft or wet rots. These tolerances are on a container basis. However, with respect to the 6 percent tolerance and the 5 percent tolerance, separately, individual containers in any lot may contain not more than double the tolerance specified, except that in case of potatoes affected by soft rot or wet breakdown not more than one-tenth of the containers may contain not more than four times the tolerance specified, and except that at least one defective specimen shall be permitted in a container; provided, that the averages for the entire lot, based on sample inspection, are within the tolerances specified. Tolerances

Containers of potatoes shall not bear any marking, brand or designation of quality such as "extra selected," "selected," "select," "extra fancy," "fancy," "choice," "No. 1," or other similar superlative designations which imply a reasonably high quality, unless the contents of the container conform at least to the requirements of the U. S. No. 1 grade established for potatoes by the United States Department of Agriculture. Markings
etc

CHAPTER 822

An act to amend Sections 511.1, 511.3, 511.4 and 740, and to repeal Sections 511.5 and 511.9 of the Vehicle Code, relating to speed of vehicles on highways.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 511.1 of the Vehicle Code is amended to read:

Establish-
ment of
state speed
zones

511.1. Establishment of State Speed Zones. (a) Authority to Increase 25-mile Limit. Whenever the Department of Public Works determines upon the basis of an engineering and traffic investigation that a speed greater than 25 miles per hour would facilitate the orderly movement of vehicular traffic and would be reasonable and safe upon any state highway otherwise subject to a prima facie limit of 25 miles per hour under this code, the department may determine and declare a prima facie speed limit of 30, 35, 40, 45 or 50 miles per hour, whichever is found most appropriate to facilitate the orderly movement of traffic and is reasonable and safe, which declared prima facie speed limit shall be effective when appropriate signs giving notice thereof are erected upon said highway.

(b) Authority to Decrease 55-mile Limit. Whenever the Department of Public Works determines upon the basis of an engineering and traffic survey that the prima facie limit of 55 miles per hour is more than is reasonable or safe upon any portion of a state highway where such prima facie limit of 55 miles is applicable under this code, the department may determine and declare a prima facie speed limit of 50, 45, 40, 35 or 30 miles per hour, whichever is found most appropriate to facilitate the orderly movement of traffic and is reasonable and safe, which declared prima facie speed limit shall be effective when appropriate signs giving notice thereof are erected upon said highway.

(c) The authority of the Department of Public Works as set forth in this section shall apply upon all state highways, whether within or outside of the limits of any incorporated city or city and county.

SEC. 2. Section 511.3 of said code is amended to read:

Alteration of
speed limits
by local
authorities

511.3. When Local Authorities May Alter Prima Facie Limits. (a) Authority to Increase 25-mile Limit. Whenever a local authority, as defined herein, determines upon the basis of an engineering and traffic investigation that a speed greater than 25 miles per hour would facilitate the orderly movement of vehicular traffic and would be reasonable and safe upon any street otherwise subject to a prima facie limit of 25 miles per hour under this code, such local authority may by ordinance determine and declare a prima facie speed limit of 30, 35, 40,

45 or 50 miles per hour, whichever is found most appropriate to facilitate the orderly movement of traffic and is reasonable and safe, which declared prima facie speed limit shall be effective when appropriate signs giving notice thereof are erected upon said street.

(b) Authority to Decrease 55-mile Limit. Whenever a local authority, as defined herein, determines upon the basis of an engineering and traffic survey that the prima facie limit of 55 miles per hour is more than is reasonable or safe upon any portion of any street or highway where such prima facie limit of 55 miles per hour is applicable under this code, such local authority may by ordinance determine and declare a prima facie speed limit of 50, 45, 40, 35 or 30 miles per hour, whichever is found most appropriate to facilitate the orderly movement of traffic and is reasonable and safe, which declared prima facie limit shall be effective when appropriate signs giving notice thereof are erected upon such street.

(c) No local authority shall exercise the powers set forth in this section in reference to any state highway or extension thereof. State highways

(d) With respect to boundary line streets and highways where portions thereof are within different jurisdictions, no ordinance adopted under this section shall be effective as to any such portion unless and until all authorities having jurisdiction of the portions of the street or highway concerned have approved the same. The provisions of this subdivision shall not apply in the case of boundary line streets consisting of separate roadways within different jurisdictions. Streets, etc. in different jurisdictions

SEC. 3. Section 511.4 of said code is amended to read:

511.4. Speed Zoning on Multiple-lane Highways. On multiple-lane highways with two or more separate roadways different prima facie speed limits may be established for different roadways under the procedure specified in Sections 511.1, 511.2 or 511.3. Multiple-lane highways

SEC. 4. Sections 511.5 and 511.9 of said code are hereby repealed. Repeal

SEC. 5. Section 740 of said code is amended to read:

740. Speed Charged to be Specified. Every notice to appear and every complaint or information charging a violation of any provision of this code regulating the speed of vehicles upon a highway shall specify the approximate speed at which the defendant is alleged to have driven and exactly the prima facie speed limit applicable at the time and place of the alleged offense and shall state any other speed limit alleged to have been exceeded if applicable to the particular type of vehicle or combination of vehicles operated by the defendant. Violations

CHAPTER 823

An act to amend Section 626 of the Vehicle Code, relating to equipment of vehicles.

In effect
September
7, 1955

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 626 of the Vehicle Code is amended to read:

626. Lamp or Flag on Projecting Load or Projecting Part of Vehicle. (a) Whenever the load upon any vehicle extends, or whenever any integral part of any vehicle projects, to the rear four feet or more beyond the bed or body of such vehicle there shall be displayed at the extreme end of the load or projecting part of the vehicle at the times specified in Section 618 hereof, in addition to the required rear light, two red lights plainly visible under normal atmospheric conditions from a distance of at least 500 feet to the sides and rear. At any other time there shall be displayed at the extreme end of such load or projecting part of the vehicle a red flag or cloth not less than 16 inches square.

(b) Whenever the load upon any vehicle extends from the left side of such vehicle one foot or more to the left of the front hub cap on the left side there shall be displayed at the extreme left side of such load at the times specified in Section 618 hereof a lighted lantern or other light plainly visible under normal atmospheric conditions from a distance of at least 300 feet to the left side and the front and rear of such vehicle.

(c) No lamp on any load as required by this section shall contain a bulb rated in excess of six candlepower.

CHAPTER 824

An act to amend Section 618 of the Vehicle Code, relating to equipment of vehicles.

In effect
September
7, 1955

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 618 of the Vehicle Code is amended to read:

618. When Vehicles Must Be Equipped. (a) Every vehicle upon a highway at any time from a half hour after sunset to a half hour before sunrise and at any other time when there is not sufficient light to render clearly discernible any person or vehicle on the highway at a distance of 500 feet shall be equipped with lighted lamps and lighting devices as respec-

tively provided in this chapter for different classes of vehicles subject to the exceptions set forth in this chapter.

(b) Whenever requirement is hereinafter declared as to the distance from which certain lamps and devices shall render a person or vehicle visible or within which such lamps or devices shall be visible, said provisions shall apply during the times stated in subdivision (a) of this section directly ahead upon a straight, level, unlighted highway under normal atmospheric conditions unless a different time, direction or condition is expressly stated.

CHAPTER 825

An act to amend Section 919 of the Fish and Game Code, relating to bait nets.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 919 of the Fish and Game Code is amended to read:

919. As used in this chapter the term "bait net" means a lampara or round haul type net with cotton twine mesh not exceeding standard No. 9 medium cotton seine twine, except that the selvage webbing for a distance of three feet from the cork line, measured stretched, mesh shall not exceed in size standard No. 9 cotton twine. The net shall not have rings along the lead line or any method of pursing the bottom of the net.

Bait nets may be used to take fish for bait in any ocean district except District 20.

CHAPTER 826

An act to amend Section 817 of the Penal Code, defining those having the powers of a peace officer.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 817 of the Penal Code is amended to read:

817. A peace officer is the sheriff, undersheriff, deputy sheriff, coroner, deputy coroner, regularly employed and paid as such of a county, marshal of a municipal court, constable of a judicial district, marshal, policeman of a city or town, or any juvenile officer of a city or town engaged in performing juvenile law enforcement functions which are generally performed by the local police department, the Deputy Director of the State Department of Justice, the chief, assistant chief,

special agents and the polygraph specialists of the Bureau of Criminal Identification and Investigation, the chief and inspectors of the Bureau of Narcotic Enforcement, a supervisor or guard employed by the Department of Corrections, while acting in the transportation of prisoners and in the apprehension of prisoners who have escaped, and any parole officer of the State Department of Corrections, and any placement or parole officer of the Youth Authority.

Inspectors and investigators regularly employed and paid as such in the office of a district attorney, members of the California Highway Patrol, policemen of the Board of State Harbor Commissioners for San Francisco Harbor, each member of an arson investigating unit of an organized fire department, the chief and inspectors of the Bureau of Food and Drug Inspection, inspectors and investigators of the California State Board of Pharmacy not exceeding 10 in number, investigators of the Board of Medical Examiners of the State of California, special investigators of the Board of Osteopathic Examiners of the State of California, and investigators of the Board of Chiropractic Examiners of the State of California are respectively peace officers for the purpose only of carrying out the duties of their respective employments.

When in any law a public officer or employee is designated as, given the powers of, or determined to be, a peace officer, such officer or employee shall be deemed to be a peace officer but only for the purpose of that law.

The restriction of peace officer functions of any public officer or employee shall not affect his status for purposes of retirement.

CHAPTER 827

An act to amend Section 39.7 of the Fish and Game Code, relating to the powers and duties of the Fish and Game Commission.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 39.7 of the Fish and Game Code is amended to read:

39.7. The department may, with the approval of the Fish and Game Commission and the Department of Finance, exchange any portion of the property lying within the boundaries of any area or range referred to in this section for any property within or contiguous to such area or range or may sell any portion of the property within such boundaries and with the proceeds thereof acquire any property within or contiguous to such area or range; providing, that no exchange or sale of property as provided for in this section shall materially reduce the total area of any range or area referred to in this section.

A copy of each deed of conveyance executed and delivered by the department, and of each deed conveying lands to the State, pursuant to this section shall be delivered to the State Lands Commission.

The provisions of this section apply to all of the following:

(a) The Madeline Plains Waterfowl Management Area, consisting of five thousand one hundred seventy-six (5,176) acres, more or less, located in Lassen County, near the town of Madeline.

(b) The Doyle Deer Winter Range consisting of thirteen thousand four hundred twenty-nine (13,429) acres, more or less, located in Lassen County, near the town of Doyle.

(c) The Tehama Deer Winter Range, consisting of forty-two thousand eight hundred ninety-six (42,896) acres, more or less, located in Tehama County, near the town of Red Bluff.

(d) The Honey Lake Waterfowl Management Area, consisting of three thousand five hundred nineteen (3,519) acres, more or less, located in Lassen County, near the town of Wendel

(e) The Imperial Waterfowl Management Area, consisting of two thousand five hundred ninety-nine (2,599) acres, more or less, located in Imperial County, near the town of Calipatria.

(f) The Mendota Waterfowl Management Area, consisting of eight thousand six hundred (8,600) acres, more or less, located in the County of Fresno, near the town of Mendota.

CHAPTER 828

An act to amend Sections 4281 and 4291 of the Agricultural Code, relating to minimum prices for milk and cream.

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4281 of the Agricultural Code is amended to read:

4281. Each such plan shall contain provisions whereby the director designates and prescribes or provides methods for designating or prescribing minimum prices to be paid by distributors to producers, for fluid milk in one or more of the various classes; provided, however, that the prices so designated or prescribed shall be based upon the economic relationship of the price of fluid milk for the marketing area involved to the price of manufacturing milk, taking into consideration the additional costs incurred in producing and marketing fluid milk over and above costs incurred in producing and marketing manufacturing milk, and also taking into consideration all of the purposes, policies, and standards contained in Sections 4200, 4201, 4204, 4205, and 4246; and provided further, the

director finds that such prices will insure consumers a sufficient quantity of pure and wholesome milk.

SEC. 2. Section 4291 of said code is amended to read:

4291. Each such plan may contain provisions whereby the director designates and prescribes or provides methods for designating or prescribing minimum prices to be paid by distributors to producers for fluid cream; provided, that the prices so designated or prescribed shall be based upon the economic relationship of the price of fluid cream for the marketing area involved to the price of manufacturing cream, taking into consideration the additional costs incurred in producing and marketing fluid cream over and above costs incurred in producing and marketing manufacturing milk, and also taking into consideration all of the purposes, policies, and standards contained in Sections 4200, 4201, 4204, 4205, and 4247; and provided further, that the director finds that such prices will insure consumers a sufficient quantity of pure and wholesome cream.

CHAPTER 829

An act to add Section 18059 to the Education Code, relating to the purchase by the governing boards of school districts of books and instructional materials.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 18059 is added to the Education Code, to read:

18059. Notwithstanding any other provisions of law to the contrary, the governing board of any school district may purchase supplementary textbooks, library books, and educational films, test materials, and work books, in any amount needed for the operation of the schools of the district without taking estimates or advertising for bids.

CHAPTER 830

An act to amend Section 274 of the Vehicle Code, relating to operators' and chauffeurs' licenses.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 274 of the Vehicle Code is amended to read:

274. Licenses to Be Signed and Carried. (a) Every person licensed hereunder shall write his usual signature with pen

and ink in the space provided for that purpose on the license issued to him, immediately on receipt thereof, and such license shall not be valid until so signed; provided, that if the department issues a form of license which bears the facsimile signature of the applicant as shown upon the application, the license shall be valid even though not so signed.

(b) The licensee shall have such license in his immediate possession at all times when driving a motor vehicle upon a highway and when so driving shall display the same upon demand of a member of the California Highway Patrol or any peace or traffic officer enforcing the provisions of this code.

(c) A licensee shall display his operator's or chauffeur's license upon request of a magistrate or judge before whom he may be brought for violation of any traffic law.

(d) Any charge under subdivision (b) of this section shall be dismissed when the person so charged produces in court an operator's or chauffeur's license theretofore duly issued to such person and valid at the time of his arrest except that upon a third or subsequent charge under subdivision (b) of this section the court in its discretion may dismiss such charge.

CHAPTER 831

An act to amend Section 604.12 of the Vehicle Code, relating to passengers on motorcycles and motor-driven cycles.

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 604.12 of the Vehicle Code is amended to read:

604.12. Passengers on Motorcycles and Motor-driven Cycles. It is unlawful for an operator of a motorcycle or motor-driven cycle to carry any other person thereon, except on a seat securely fastened to the machine in the rear of the operator and provided with footrests and handgrips, or in a sidecar attached to a motorcycle or motor-driven cycle and designed for the purpose of carrying a passenger.

CHAPTER 832

An act to amend Sections 395, 397, and 399 of the Code of Civil Procedure, relating to place of trial of civil actions.

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 395 of the Code of Civil Procedure is amended to read:

Proper
county
for trial

395. (1) In all other cases, except as in this section otherwise provided, and subject to the power of the court to transfer actions or proceedings as provided in this title, the county in which the defendants, or some of them, reside at the commencement of the action, is the proper county for the trial of the action. If the action be for injury to person, or to personal property, or for death from wrongful act, or negligence, either the county where the injury occurs, or where the injury causing death occurs, or the county in which the defendants, or some of them, reside at the commencement of the action, shall be a proper county for the trial of the action. In an action for divorce, the county in which the plaintiff has been a resident for three months next preceding the commencement of the action is the proper county for the trial of the action. When a defendant has contracted to perform an obligation in a particular county, either the county where such obligation is to be performed, or in which the contract in fact was entered into, or the county in which the defendant, or any such defendant, resides at the commencement of the action, shall be a proper county for the trial of an action founded on such obligation, and the county in which such obligation is incurred shall be deemed to be the county in which it is to be performed unless there is a special contract in writing to the contrary. If none of the defendants reside in the State, or, if residing in the State, and the county in which they reside is unknown to the plaintiff, the action may be tried in any county which the plaintiff may designate in his complaint, and if the defendant is about to depart from the State, such action may be tried in any county where either of the parties reside, or where service is had. If any person is improperly joined as a defendant, or has been made a defendant solely for the purpose of having the action tried in the county, city and county, or judicial district where he resides, his residence must not be considered in determining the proper place for the trial of the action.

Proper court
for trial

(2) The proper court for the trial of any such action in the county hereinabove designated as the proper county, shall be determined as follows:

If there is a municipal or justice court, having jurisdiction of the subject matter of the action, established in the city and county or judicial district, in which the defendant, or any defendant, so resides, or in which the injury to person or to personal property, or the injury causing death, occurs, or, in the cases hereinabove mentioned, in which the obligation was contracted to be performed, such court is a proper court for the trial of such action; otherwise any court in such county, having jurisdiction of the subject matter of the action, is a proper court for the trial thereof.

SEC. 2. Section 397 of said code is amended to read:

Changing
place of trial

397. The court may, on motion, change the place of trial in the following cases:

1. When the court designated in the complaint is not the proper court;
2. When there is reason to believe that an impartial trial cannot be had therein;
3. When the convenience of witnesses and the ends of justice would be promoted by the change;
4. When from any cause there is no judge of the court qualified to act;
5. When an action for divorce has been filed in the county in which the plaintiff has been a resident for three months next preceding the commencement of the action, and the defendant at the time of the commencement of the action is a resident of another county in this State, to the county of the defendant's residence, when the ends of justice would be promoted by the change. If a motion to change the place of trial shall be made under this subsection, the court may, prior to the determination of such motion, consider and determine motions for allowance of temporary alimony, support of children, temporary restraining orders, counsel fees and costs, and make all necessary and proper orders in connection therewith.

SEC. 3. Section 399 of said code is amended to read:

399. When an order is made transferring an action or proceeding under any of the provisions of this title, the clerk, or the judge where there is no clerk, must, upon payment of the costs and fees, transmit the pleadings and papers therein (or if the pleadings be oral a transcript of the same) to the clerk (or to the judge where there is no clerk) of the court to which the same is transferred. When the transfer is sought on any ground specified in subdivisions 2, 3, 4 and 5 of Section 397 of this code, the costs and fees thereof, and of filing the papers in the court to which the transfer is ordered, shall be paid at the time the notice of motion is filed, by the party making the motion for such transfer. When the transfer is sought solely, or is ordered, because the action or proceeding was commenced in a court other than that designated as proper by the provisions of this title, such costs and fees must be paid by the plaintiff before such transfer is made; and if, in any such case, the defendant has paid such costs and fees at the time of filing his notice of motion, the same shall be repaid to him, upon the making of such order. The court to which an action or proceeding is transferred under the provisions of this title shall have and exercise over the same the like jurisdiction as if it had been originally commenced therein, all prior proceedings being saved, and said court may require such amendment of the pleadings, the filing and service of such amended, additional or supplemental pleadings, and the giving of such notice, as may be necessary for the proper presentation and determination of the action or proceeding in said court.

Transfer of
pleadings
and papers

CHAPTER 833

An act to amend Section 6701 of the Revenue and Taxation Code, relating to sales and use taxes.

In effect
September
7, 1955

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 6701 of the Revenue and Taxation Code is amended to read:

6701. The board, whenever it deems it necessary to insure compliance with this part, may require any person subject thereto, to place with it such security as the board may determine. The amount of the security shall be fixed by the board but, except as noted below, shall not be greater than twice the estimated average liability of persons filing returns for quarterly periods or three times the estimated average liability of persons required to file returns for monthly periods, determined in such manner as the board deems proper, or ten thousand dollars (\$10,000), whichever amount is the lesser. In case of a person who, pursuant to Section 6070 of this part, has been given notice of hearing to show cause why his permit or permits should not be revoked, or a person whose permit or permits has been revoked or suspended, the amount of the security shall not be greater than three times the average liability of persons filing returns for quarterly periods or five times the average liability of persons required to file returns for monthly periods, or ten thousand dollars (\$10,000), whichever amount is the lesser. The limitations herein provided apply regardless of the type of security placed with the board. The amount of the security may be increased or decreased by the board subject to the limitations herein provided. The board may sell the security at public auction if it becomes necessary so to do in order to recover any tax or any amount required to be collected, interest, or penalty due. Notice of the sale may be served upon the person who placed the security personally or by mail; if by mail, service shall be made in the manner prescribed for service of a notice of a deficiency determination and shall be addressed to the person at his address as it appears in the records of the board. Security in the form of a bearer bond issued by the United States or the State of California which has a prevailing market price may, however, be sold by the board at private sale at a price not lower than the prevailing market price thereof. Upon any sale any surplus above the amounts due shall be returned to the person who placed the security.

CHAPTER 834

An act to amend Section 452.5 of the Vehicle Code, relating to the application of traffic laws to trolley coaches.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 452.5 of the Vehicle Code is amended to read:

452.5. Portions of Code Applicable to Trolley Coaches. The following sections, chapters, and divisions of the Vehicle Code, or such portions thereof hereinafter enumerated, shall apply to trolley coaches: All of Chapter 1 of Division 3, relating to original and renewal of registration; all of Sections 370, 371, 372, 372.5, 373, 376, 378, 379, 382, 383, 383.1 and 384 of Division 6, relating to registration and other fees; all of Sections 451, 452.10, 453, 475, 476, 477, 480, 481, 482, 483, 484, 501, 502, 503, 504, 505, 506, 510, 511, 513, 514, 525, 526, 528, 529, 531, 543, 544, 550, 551, 552, 554, 560, 572, 575, 576, 577, 596, 596.4, 596.5, 602, and 604.2 in Division 9, relating to traffic laws; all of Section 676 in Chapter 7 of Division 10, relating to equipment; all of Sections 690, 691, 695, 704, 705, 706, 715, and 716 of Division 11, relating to the size, weight and loading of vehicles.

CHAPTER 835

An act to add Title 3, comprising Sections 241 to 254, inclusive, to Part 3 of Division 1 of the Civil Code, relating to duties of support and to make uniform the law in respect thereto.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Title 3 is added to Part 3 of Division 1 of the Civil Code, to read:

TITLE 3. UNIFORM CIVIL LIABILITY FOR
SUPPORT ACT

241. As used in this title:

(a) "State" includes any state, territory or possession of the United States, the District of Columbia and the Commonwealth of Puerto Rico. Definitions

(b) "Obligor" means any person owing a duty of support.

(c) "Obligee" means any person to whom a duty of support is owed.

(d) "Child" means a son or daughter under the age of 21 years and a son or daughter of whatever age who is incapacitated from earning a living and without sufficient means.

(e) "Parent" includes either a natural parent or an adoptive parent.

Duty to
support

242. Every man shall support his wife, and his child; and his parent when in need. The duty imposed by this section shall be subject to the provisions of Sections 175, 196, and 206 of the Civil Code.

243. Every woman shall support her child; and her husband and her parent when in need. The duty imposed by this section shall be subject to the provisions of Sections 176, 196, and 206 of the Civil Code.

244. An obligor present or resident in this State has the duty of support as defined in this title regardless of the presence or residence of the obligee.

Jurisdiction
over actions

245. The superior court shall have jurisdiction of all actions brought under this title.

Factors to
determine
amount due

246. When determining the amount due for support the court shall consider all relevant factors including but not limited to:

(a) The standard of living and situation of the parties;

(b) The relative wealth and income of the parties;

(c) The ability of the obligor to earn;

(d) The ability of the obligee to earn;

(e) The need of the obligee;

(f) The age of the parties;

(g) The responsibility of the obligor for the support of others

Jurisdiction
to modify,
etc

247. The court shall retain jurisdiction to modify or vacate the order of support where justice requires.

County
enforcing
right

248. The obligee may enforce his right of support against the obligor and the county may proceed on behalf of the obligee to enforce his right of support against the obligor. Whenever the county furnishes support to an obligee, it has the same right as the obligee to whom the support was furnished, for the purpose of securing reimbursement and of obtaining continuing support. The right of the county to reimbursement shall be subject to any limitation otherwise imposed by the law of this State.

Appeals

249. Appeals may be taken from orders and judgments under this title as in other civil actions.

Privilege,
husband
and wife

250. Laws attaching a privilege against the disclosure of communications between husband and wife are inapplicable under this title. Husband and wife are competent witnesses to testify to any relevant matter, including marriage and parentage.

251. The rights herein created are in addition to and not in substitution for any other rights.

Severability

252. If any provision of this title or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the title

which can be given effect without the invalid provision or application, and to this end the provisions of this title are severable.

253. This title shall be so interpreted and construed as to Construction effectuate its general purpose to make uniform the law of those states which enact it.

254. This title may be cited as the Uniform Civil Liability Short title for Support Act.

CHAPTER 836

An act to add Section 679.05 to the Vehicle Code, relating to the transportation of poles by pole dolly.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 679.05 is added to the Vehicle Code, to read:

679.05. Transportation of Poles by Pole Dolly. The provisions of Section 679.1 shall not apply to the transportation of poles on a pole dolly by public utility companies engaged in the business of supplying electricity or telephone service or by the State Department of Public Works when such transportation is between storage yards or between a storage yard and job location where such poles are to be used, but in no event shall more than nine (9) poles be transported on any dolly. Such poles shall be adequately secured when being transported on a dolly to prevent shifting or spilling of loads

CHAPTER 837

An act to repeal Section 646 of, and to add Section 646 to, the Vehicle Code, relating to test and approval of lighting devices on vehicles.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 646 of the Vehicle Code is hereby repealed.

SEC. 2. Section 646 is added to said code, to read:

646. Application for Test and Approval. (a) The department may require any person desiring approval of any lamp or device to submit to the department two units of each type of such lamp or device for which approval is desired, together with the appropriate fee as set forth in subdivision (c).

(b) The department may require tests of such lamp or device in its own or designated laboratories or it may accept evidence of satisfactory performance from other accredited laboratories. In such latter event no approval fee shall be charged.

(c) Testing fees, when required under this section, shall be paid according to the following schedule:

For any headlamp, auxiliary driving or passing or fog lamp	
Single beam -----	\$25
2-beam -----	\$50
3-beam -----	\$75
For any rear or taillamp -----	\$25
For any license plate lamp -----	\$25
For any stop signal lamp -----	\$25
For any individual turn signal lamp -----	\$25
For any reflex reflector -----	\$25
For any clearance lamp -----	\$25
For any other lamp or device -----	\$50

For any combination lamp incorporating two or more of the above types of lamps the fee shall be the sum of the individual fees. For any partial test or retest the fee shall be one-half of the regular fee set forth above.

(d) With any such lamp or device the applicant shall submit a statement as to the adjustment of the same deemed appropriate and the candlepower or other rating of the light source intended to be used therewith and other information relative thereto requested by the department.

CHAPTER 838

An act to amend Section 465 of, and to add Section 465.4 to, the Vehicle Code, relating to official traffic control devices and the erection of signs, signals or traffic control devices by the Department of Public Works.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 465 of the Vehicle Code is amended to read:

Department
of Public
Works

465. Official Traffic Control Devices. (a) The State Department of Public Works, Division of Highways, shall place and maintain, or cause to be placed and maintained, with respect to highways under its jurisdiction, appropriate signs, signals and other traffic control devices as required hereunder, and may place and maintain, or cause to be placed and maintained, such appropriate signs, signals or other traffic control devices as may be authorized hereunder, or as may be necessary properly to indicate and to carry out the provisions of this code, or to warn or guide traffic upon the highways.

(b) Local authorities in their respective jurisdictions shall place and maintain or cause to be placed and maintained such traffic signs, signals and other traffic control devices upon streets and highways as required hereunder, and may place and maintain or cause to be placed and maintained, such appropriate signs, signals or other traffic control devices as may be authorized hereunder or as may be necessary properly to indicate and to carry out the provisions of this code or local traffic ordinances or to warn or guide traffic. Local authorities

(c) All signs and signals erected in accordance with the provisions of this code shall be deemed official traffic signs and signals.

(d) No section of this division shall modify or limit the authority of the Public Utilities Commission to erect or maintain, or cause to be erected and maintained, signs, signals or other traffic control devices as authorized by law. Public Utilities Commission

(e) It shall be unlawful to fail to obey any sign or signal erected or maintained to indicate and to carry out the provisions of this code or any local traffic ordinance or resolution adopted pursuant to a local traffic ordinance. Failure to obey signs, etc

SEC. 2. Section 465.4 is added to said code, to read:

465.4. Regulations Applicable on State Highways. Whenever the Department of Public Works determines that it is necessary for the public safety and for the orderly and efficient use of the highways by the public, said department may erect and maintain or cause to be erected and maintained on any state highway appropriate signs, signals or traffic control devices regulating or prohibiting the turning of vehicles upon the highway, allocating or restricting the use of specified lanes or portion of the highway by moving vehicular traffic, establishing crosswalks at or between intersections, or restricting use of the right of way by the public for other than highway purposes. It shall be unlawful to fail to obey any such sign, signal or device. State highways

CHAPTER 839

An act to add Section 465.2 to the Vehicle Code, relating to intersections designated by traffic signals.

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 465.2 is added to the Vehicle Code, to read:

465.2. Intersections Designated by Traffic Signals. (a) When the outermost boundaries of two or more intersections are confined within a distance of 200 feet, the Department of Public Works in respect to state highways, and a local authority with respect to highways under its jurisdiction, shall have the power to designate a single intersection by the installation

and operation of traffic signals which may be supplemented by signs or markings and when so designated said single intersection shall be the legal intersection for the purposes of traffic movement and regulation.

(b) Whenever a single intersection has been designated by local authorities as set forth in (a), such authorities may designate marked crosswalks at certain locations within any said intersection or contiguous thereto, and when such marked crosswalks are established they shall constitute the only crosswalks at said intersection.

CHAPTER 840

An act to amend Section 85 of the Vehicle Code, relating to the definition of crosswalk.

In effect
September
7, 1955

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 85 of the Vehicle Code is amended to read:

85. "Crosswalk." "Crosswalk" is either:

(a) That portion of a roadway ordinarily included within the prolongation or connection of the boundary lines of sidewalks at intersections where the intersecting roadways meet at approximately right angles, except the prolongation of any such lines from an alley across a street.

(b) Any portion of a roadway distinctly indicated for pedestrian crossing by lines or other markings on the surface.

(c) Notwithstanding the foregoing provisions of this section, there shall not be a crosswalk where local authorities have placed signs indicating no crossing.

CHAPTER 841

An act to amend Section 459.2 of the Vehicle Code, relating to crosswalks.

In effect
September
7, 1955

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 459.2 of the Vehicle Code is amended to read:

459.2 Establishment of Crosswalks. (a) The provisions of this division shall not prevent local authorities, by ordinance, from establishing crosswalks between intersections.

(b) Local authorities may authorize the installation of signs at or adjacent to an intersection in respect to any crosswalk directing that pedestrians shall not cross in the crosswalk so

indicated. When signs are so erected it shall be unlawful for any pedestrian to cross a roadway at such location in the manner prohibited by said sign.

CHAPTER 842

An act to amend Section 51890 of the Water Code, relating to reclamation districts.

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 51890 of the Water Code is amended to read:

51890. When any parcel located in a district upon which an assessment has been levied is subdivided, the board upon written application signed by any or all of the landowners within the subdivided parcel, shall enter a minute order directing the reapportionment of the assessment upon such parcel in such manner as will charge each of the smaller parcels with a just proportion of the assessment.

When any parcel in a district is subdivided for the purposes of sale in accordance with Part 2, Division 4 of the Business and Professions Code, the subdivider shall make written application to the board for the reapportionment of any assessment of the district upon such parcels and the board shall proceed to make the reapportionment in the manner provided in this article. The expense of such reapportionment shall be paid by the subdivider.

CHAPTER 843

An act to amend Section 205 of the Revenue and Taxation Code, Sections 980 and 981.14 of the Military and Veterans Code, and Section 18973 of the Government Code, relating to veterans' rights.

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 205 of the Revenue and Taxation Code is amended to read:

205. The veterans' exemption is as specified in Section 1 $\frac{1}{2}$ of Article XIII of the Constitution. Veterans'
exemption

The following are wars under Section 1 $\frac{1}{2}$ of Article XIII of the Constitution: Wars

- (a) Revolutionary War, April 19, 1775-January 14, 1784.
- (b) Second War With England, June 18, 1812-February 17, 1815.

- (c) Black Hawk War, April 6, 1832-August 2, 1832.
- (d) War With Mexico, April 24, 1846-May 30, 1848.
- (e) Civil War, April 18, 1861-August 20, 1866.
- (f) War With Spain, April 21, 1898-April 11, 1899.
- (g) War in Philippines, April 11, 1899-July 4, 1902.
- (h) Chinese Relief Expedition, June 20, 1900-May 15, 1901.
- (i) Campaign against the Rogue River, Yakima, Nez Perce, and Snake Indians in Oregon and Washington, 1855-1856.
- (j) Campaign against the Indians in southern Oregon and Idaho and northern California and Nevada, 1865-1868.
- (k) Campaign against the Cheyennes, Arapahoes, Kiowas, and Comanches in Kansas, Colorado, and Indian Territory, 1867-1869.
- (l) Modoc War, 1872-1873.
- (m) Campaign against the Apaches in Arizona, 1873.
- (n) Campaign against the Kiowas, Comanches, and Cheyennes in Kansas, Colorado, Texas, Indian Territory, and New Mexico, 1874-1875.
- (o) Campaign against the Northern Cheyennes and Sioux, 1876-1877.
- (p) Nez Perce War, 1877.
- (q) Bannock War, 1878.
- (r) Campaign against the Northern Cheyennes, 1878-1879.
- (s) Campaign against the Ute Indians in Colorado and Utah, September, 1879-November, 1880.
- (t) Campaign against the Apache Indians in Arizona, 1885-1886.
- (u) Campaign against the Sioux Indians in South Dakota, November, 1890-January, 1891.
- (v) War With Germany-Austria, April 6, 1917-November 11, 1918.
- (w) Campaign against the Apache Indians in Arizona, 1895-1896.
- (x) World War II, December 7, 1941, to January 1, 1947.
- (y) Campaign against the North Koreans and Chinese Communists in Korea, June 27, 1950, to January 31, 1955.

Campaigns

The following are campaigns under Section 1 $\frac{1}{4}$ of Article XIII of the Constitution:

- (a) First Nicaraguan campaign.
- (b) Second Nicaraguan campaign.
- (c) Yangtze River campaign in China.
- (d) All other campaigns for service in which a medal has been issued by the Congress of the United States.

SEC. 2. Section 980 of the Military and Veterans Code is amended to read:

"Veteran"

980. As used in this chapter, "veteran" means any person who served in the active military, naval, or air service of the United States for a period of not less than 90 consecutive days any portion of which was on or after December 7, 1941, and prior to January 1, 1947, and any person who served in the active military, naval or air service of the United States for a period of not less than 90 consecutive days any portion of

which was on or after June 27, 1950, and prior to January 31, 1955, and receives an honorable discharge therefrom or is released from active duty under honorable conditions and who was, at the time of his entry into active duty, a native of or a bona fide resident of this State or who, if a minor at such time, entered active duty while in the State of California and had lived in this State for six months immediately preceding his entry into active duty.

As used in this chapter "veteran" does not include:

(a) A person who was separated from such forces under other than honorable conditions at any time after December 7, 1941.

(b) A person who was separated from such forces on account of alienage at any time after December 7, 1941.

(c) A person who performed no military duty whatever or refused to wear the uniform.

(d) A person who has received from another state a bonus, compensation, or benefit, the prerequisite of which is service in such forces, which service is the basis for the claim of benefits under this chapter.

(e) A person who served only in an auxiliary or reserve component of the armed forces whose service therein did not exempt him from the operation of the Selective Training and Service Act of 1940.

(f) A person whose active service in the armed forces was less than 90 days, unless such person was discharged from the service due to a service-connected disability within said 90-day period.

(g) A person whose service with the armed forces was due to temporary active duty orders for the sole purpose of training duty, processing or a physical examination.

SEC. 3. Section 981.14 of the Military and Veterans Code is amended to read:

981.14. As used in this article, "veteran" also includes any ^{Same} person who served in the military or naval service of the United States during the period June 27, 1950, to January 31, 1955, and receives an honorable discharge therefrom or is released from active duty under honorable conditions and who was, at the time of his enlistment, induction, commission, or drafting, a native of or a bona fide resident of this State or who, if a minor at such time, had lived in this State for six months immediately preceding his enlistment, induction, commission, or drafting.

SEC. 4. Section 18973 of the Government Code is amended to read:

18973. In the case of all other entrance examinations, a veteran with 30 days or more of service and widows of veterans who become eligible for certification from eligible lists by attaining the passing mark established for the examination, shall be allowed one of the following additional credits: ^{Additional credits re entrance examinations}

(a) Disabled veterans, 15 points.

(b) All other veterans and widows of veterans, 10 points.

(c) In promotional examinations, three points, irrespective of physical condition.

"Veteran"

For the purpose of this section, "veteran" means any person who has served full time for 30 days or more in the armed forces in time of war or in time of peace in a campaign or expedition for service in which a medal has been authorized by the Government of the United States, or during the period September 16, 1940, to December 6, 1941, inclusive, or during the period June 27, 1950, to January 31, 1955, and who has been discharged or released under conditions other than dishonorable, but does not include any person who served only in auxiliary or reserve components of the armed forces whose service therein did not exempt him from the operation of the Selective Training and Service Act of 1940.

"Disabled veteran"

For the purpose of this section the termination of World War II shall be considered as of midnight, December 31, 1946.

For the purpose of this section "disabled veteran" means any veteran as defined herein who is currently declared by the United States Veterans Administration to be 10 percent or more disabled as a result of his service. Proof of such disability shall be deemed conclusive if it is of record in the United States Veterans Administration.

CHAPTER 844

An act to amend Section 4986 of the Revenue and Taxation Code, relating to canceling of uncollected taxes, penalties, or costs.

[Approved by Governor June 1, 1955. Filed with Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4986 of the Revenue and Taxation Code is amended to read:

4986. All or any portion of any uncollected tax, penalty, or costs, heretofore or hereafter levied, may, on satisfactory proof, be canceled by the auditor on order of the board of supervisors with the written consent of the district attorney if it was levied or charged:

- (a) More than once.
- (b) Erroneously or illegally.
- (c) On a portion of an assessment in excess of the cash value of the property by reason of the assessor's clerical error.
- (d) On improvements when the improvements did not exist on the lien date.

(e) On property acquired after the lien date by the State or by any county, city, school district or other political subdivision and because of this public ownership not subject to sale for delinquent taxes, and on property annexed after the lien date by the city owning it.

(f) On property acquired after the lien date by the United States of America if such property upon such acquisition becomes exempt from taxation under the laws of the United States.

(g) On personal property or improvements assessed as a lien against real property acquired after the lien date by the United States of America, the State or by any county, city, school district or other political subdivision which because of this public ownership is not subject to sale for delinquent taxes.

“Property acquired” as used in this section shall include street easements and shall also include other easements for public use where the residual estate remaining in private ownership has a nominal value only.

No cancellation under subparagraphs (b), (e), (f), or (g) of this section shall be made in respect of all or any portion of any tax, or penalties or costs attached thereto, collectible by county officers on behalf of a municipal corporation without the written consent of the city attorney thereof.

No cancellation under subparagraph (g) shall be made in respect of all or any portion of any tax, or penalties or costs attached thereto, until after three years succeeding the lien date of such tax on personal property or improvements and then only if in the opinion of the county auditor and the board of supervisors the remaining real property under the assessment is not of sufficient value to secure payment of the taxes on such personal property or improvements.

CHAPTER 845

An act to amend Sections 1500 and 1505 of the Military and Veterans Code, relating to the California Disaster Act, disaster preparedness, and civil defense.

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1500 of the Military and Veterans Code is amended to read:

1500. The State has long recognized its responsibility to provide for preparedness against disasters that may result from such calamities as air pollution, flood, fire, earthquake, pestilence, war, sabotage and riot. It is hereby found and declared that it is necessary, to enable the State to more effectively join with political subdivisions, municipal corporations and other public agencies of the State, in preparing to cope with and guard against conditions which may result in extreme peril to life, property and the resources of the State and generally to protect the health and safety and preserve the lives and property of the people of the State, and, in times when the United States of America is engaged in war, to

assist the Federal Government in the successful prosecution thereof, that a readjustment of the provisions of law for dealing with such hazards be accomplished in the light of wartime experience, and that advantage be taken of those implements and methods, organizations and arrangements that have already been developed to deal with possible future disasters.

SEC. 2. Section 1505 of said code is amended to read:

1505. As used in this chapter, "state of extreme emergency" means the duly proclaimed existence of conditions of extreme peril to the safety of persons and property within the State caused by an enemy attack or threatened attack by land, sea, or air, or when upon the advice of the commanding general of this area, such an attack is imminent, an air raid alarm, sabotage, or other cause such as air pollution, fire, flood, storm, epidemic, riot or earthquake, which conditions by reason of their magnitude are or are likely to be beyond the control of the protective services, personnel, equipment and facilities of any single county, city and county, or city and require the combined forces of a "mutual aid region or regions" to combat. "State of extreme emergency" does not include nor does any provision of this chapter apply to any condition resulting from a labor controversy

CHAPTER 846

An act to repeal Article 4 of Chapter 7, Part 1, Division 2, Title 4 of, and to add Article 4 to Chapter 7, Part 1, Division 2, Title 4 of, the Government Code, relating to the election of members of the legislative body of cities by or from districts.

In effect
September
7, 1955

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

Repeal

SECTION 1. Article 4 of Chapter 7, Part 1, Division 2, Title 4 of the Government Code is repealed.

SEC. 2. Article 4 is added to Chapter 7, Part 1, Division 2, Title 4 of said code, to read:

Article 4. Election of Legislative Body by or From
Districts in Cities

Application

34870. This article applies only to cities.

Submission
to voters

34871. At any municipal election, or special election held for that purpose, the legislative body may submit to the electors an ordinance providing for the election of members of the legislative body by districts or from districts. The term "by districts" as used in this article shall mean election of members of the legislative body by voters of the district alone. The term "from districts" shall mean election of members of the legislative body who are residents of the district from which they are elected by the voters of the entire city. "Geographical area making up the district" shall in the case of

Definitions

elections by district mean the district, and in the case of elections from districts shall mean the entire city except with respect to the residence requirements imposed by Section 34883.

34872. The ordinance shall state whether there are to be five, seven, or nine districts, describe the boundaries of each, and number them. Contents of ordinance

34873. An ordinance enacted pursuant to this article may be amended or repealed in the same manner; provided, the term of office of any councilman elected shall not be affected. Amendment, etc

34874. No amendatory ordinance altering the boundaries of the legislative districts established pursuant to this article shall be submitted to the electors until the ordinance has been submitted to the planning commission of the city or, in absence of a planning commission, to the legislative body of said city for an examination as to the definiteness and certainty of the boundaries of the legislative districts proposed. Submission to planning commission

34875. The amendatory ordinance shall not be submitted to the voters if (a) one or more of the legislative districts do not close, (b) one or more entire legislative districts are eliminated prior to the termination of the term of office of the councilman of or from the district, (c) the effect is that a greater number of councilmen will be qualified to hold office concurrently than are authorized by this article or the amendatory ordinance. When submission to voters prohibited

34876. The planning commission of the city or, in absence of such body, the legislative body of the city shall make findings as to the matters set forth in Section 34875 by resolution within 90 days after submission of the amendatory ordinance to the city clerk. Failure to make findings shall be constituted as a finding of compliance with Section 34875. Findings

34877. The proposition of establishing or altering legislative districts shall be printed on the ballots substantially as follows: Ballots

“Shall members of the legislative body of the City of _____ be elected by (or from) districts described in Ordinance No. _____,”

followed by the words “yes” and “no,” so printed that the voters may express their choice.

34878. If three-quarters of the qualified electors of the city, who vote, vote in favor of the ordinance, at the expiration of the terms of office of the members of the legislative body, or when a vacancy occurs, or as provided by ordinance, members of the legislative body shall be elected by (or from) the districts described and in the manner provided. Three-fourths vote required

34879. The term of office of members of the legislative body elected pursuant to the provisions of this article shall be four years, unless otherwise expressly provided. Term of office

34880. If the petition for incorporation of a city provides for the election of members of the legislative body by (or from) districts and includes substantially the provisions required to be included in an ordinance providing for such Inclusion in petition for incorporation

	election, the members of the legislative body shall be elected in the manner provided in the petition.
Term of office	34881. The members of the legislative body shall be elected by or from the districts and in the manner provided for in the petition at the election determining whether the city becomes incorporated, and hold office until the next general municipal election. At the next general municipal election the members elected by or from the even-numbered districts shall hold office for four years and the members elected by or from the odd-numbered districts shall hold office for two years. Thereafter the term of office is four years.
One member for each district	34882. One member of the legislative body shall be elected by or from each district. With the possible exception as to the number of members of the legislative body, the officers of the city remain the same.
Qualifications	34883. A person is not eligible to hold office as a member of the legislative body unless he is otherwise qualified and has resided in the geographical area making up the district from which he is elected for 90 days next preceding the first day the legislative body is empowered to canvass the ballot.
Electors' qualifications	34884. Electors signing nomination petitions or voting for a member of the legislative body shall be residents of the geographical area making up the district from which the member is to be elected.
Same. Recall	34885. Electors signing recall petitions for, or voting for the recall of, a member of the legislative body shall be residents of the geographical area making up the district which the member is representing.
Meetings	34886. The legislative body of a city adopting an ordinance establishing or modifying legislative districts shall hold regular meetings at least once a month and at the time and place fixed by ordinance or resolution.
Members' absences	34887. The office of a member of the legislative body of a city shall not be declared vacant because of his absence from any meeting.
Vote required for ordinances, etc.	34888. An ordinance or resolution of the legislative body, or an order for payment of money by the city, is void unless passed by a majority of the members of the legislative body.
Termination date	34889. The provisions of this article shall terminate on December 31, 1956, with respect to any city which has not taken advantage of its provisions by that date.

CHAPTER 847

An act to amend Section 1534a of the Probate Code, relating to guardians' additional bonds.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1534a of the Probate Code is amended to read:

1534a. Before any sale of real property is confirmed, or any mortgage or deed of trust is authorized by which money is to be raised, the guardian must furnish such additional bond to the ward as shall be required by the court, with two or more persons or an authorized surety company as surety, to be approved by the judge if the surety is not an authorized surety company, in order to make the total penalty of the guardian's bonds to his ward equal to that required by Section 1480 of this code, taking into account the proceeds of the sale or mortgage or deed of trust.

CHAPTER 848

An act to amend Sections 664 and 665 of the Probate Code, relating to homesteads.

[Approved by Governor June 1, 1955 Filed with
Secretary of State June 2, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 664 of the Probate Code is amended to read:

664. If the homestead so selected and recorded, as provided in Section 663, is returned in the inventory appraised at not over the amount of the homestead exemption, as provided in the Civil Code and in effect at the date of death of the decedent, or was previously appraised as provided in the Civil Code and such appraised value did not exceed that amount, the court shall order it set apart to the persons in whom title is vested by the preceding section. If it is returned in the inventory appraised at more than that amount, the appraisers must, before they make their return, ascertain and appraise the value of the homestead at the time the same was selected, and if such value exceeds that amount, or if the homestead was appraised as provided in the Civil Code and such appraised value exceeded that amount, the appraisers must determine whether the premises can be divided without material injury, and if they find that they can be thus divided, they must admeasure and set apart to the parties entitled thereto such portion of the premises, including the dwelling house, as will equal in value that amount, and make report thereof, giving an exact description of the portion set apart as a homestead.

SEC. 2. Section 665 of the Probate Code is amended to read:

665. If the appraisers find that the value of the premises at the time of their selection exceeded the amount referred to in Section 664, and that they cannot be divided without material injury, they must report such finding, and thereafter the court may make an order for the sale of the premises and the distribution of the proceeds to the parties entitled thereto.

CHAPTER 849

An act to amend Section 11908 of the Public Utilities Code, relating to municipal utility districts.

In effect
September
7, 1955

[Approved by Governor June 1, 1955. Filed with
Secretary of State June 2, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11908 of the Public Utilities Code is amended to read:

11908. The board shall establish rules for its proceedings and may provide by ordinance or resolution that each member shall receive for each attendance at the meetings of the board the sum of twenty dollars (\$20). No director shall receive any other compensation, nor receive pay for more than two meetings in any one calendar month.

CHAPTER 850

An act to amend Section 422 of the Education Code, relating to county superintendents of schools of counties of the twenty-second class.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 422 of the Education Code is amended to read:

422. The annual salary of the county superintendent of schools of a county of the twenty-second class is eleven thousand five hundred dollars (\$11,500), and he shall possess a valid elementary and secondary administrative credential issued by the State Board of Education.

Marin
County Su-
perintendent
of Schools

CHAPTER 851

An act to add Section 203.6 to the Welfare and Institutions Code, relating to county hospitals.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 203.6 is added to the Welfare and Institutions Code, to read:

203.6. The board of supervisors of counties of the fortieth to fifty-eighth class, inclusive, in connection with the administration of a county hospital may establish in the county treasury a special fund to be known as the "Hospital Trust Fund,"

into which may be placed deposits made voluntarily by patients entering such hospital.

At the time of any patient's dismissal from a county hospital, there shall be refunded to him, upon the order of the business manager or other person designated by the board of supervisors, such portion of the deposit made voluntarily by the patient at the time of his entrance into the hospital as was unneeded for his care while confined therein. The portion earned by the hospital shall be transferred to the hospital fund in the county treasury.

Upon presentation of an order for refund under this section, the county auditor shall draw his warrant on the Hospital Trust Fund, and the county treasurer shall pay the amount due thereon.

If no refund is made within 30 days after the patient's discharge, the patient may file a claim against the county pursuant to Article 1 of Chapter 4 of Division 3 of Title 3 of the Government Code.

CHAPTER 852

An act to add Section 1080.3 to the Agricultural Code, relating to herbicides and injurious pest control materials.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1080.3 is added to the Agricultural Code, to read:

1080.3. It is unlawful to sell or deliver any material or herbicide for which rules and regulations have been adopted pursuant to Sections 1080 and 1080.1 to any person who is required by such rules and regulations to have a permit to use such material or herbicide unless such person, or his agent to whom delivery is made, signs a written statement, in a form prescribed by the department, that such person holds a valid permit to use the kind and quantity of such material or herbicide delivered.

CHAPTER 853

An act to amend Section 410 of the Education Code, relating to the superintendent of schools of a county of the tenth class.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 410 of the Education Code is amended to read:

San Mateo
County Su-
perintendent
of Schools

410. The annual salary of the county superintendent of schools of a county of the tenth class is thirteen thousand five hundred dollars (\$13,500), and he shall possess a valid general administrative credential issued by the State Board of Education.

CHAPTER 854

An act to amend Section 16601 of the Education Code, relating to the Public School System.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 16601 of the Education Code is amended to read:

16601. Each parent, guardian, or other person having control or charge of any child between the ages of 8 and 16 years, not exempted under the provisions of this chapter, shall send the child to the public full-time day school for the full time for which the public schools of the city, city and county, or school district in which the child lives are in session.

CHAPTER 855

An act to amend Section 1503 of the Education Code, relating to the Public School System.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1503 of the Education Code is amended to read:

Interdistrict
attendance

1503. The governing board of any school district may admit to the schools or classes maintained in the district any pupils who live in another school district which maintains schools or classes of the grade levels which the pupils desire to attend, whenever an agreement is entered into between the governing board and the governing board of the district in which the pupil lives stipulating the terms upon which the interdistrict attendance shall be permitted. Said interdistrict attendance agreement may be for a term of not to exceed five (5) consecutive school years. In the event the governing board of either district neglects or refuses to enter into such an agreement within 30 days after the person having the custody of any pupil has requested the board so to do, such person may appeal to the county board of education having jurisdiction over the district in which the pupil lives which shall, within 30 days after the filing of such appeal, determine whether the

Appeal to
county board
of education

pupil should be permitted to attend in the district in which he desires to attend and for what period of time. If the county board of education determines that the pupil should be permitted to attend in the district in which he desires to attend, the pupil shall be admitted to school in said district without delay and the governing board of the district in which the pupil lives shall pay to the district of attendance, at the close of each school year in which the pupil attends in the district of attendance an amount which shall be: (a) the actual cost to the district of attendance of the education of such pupil, less all state and federal funds apportioned to the district on account of such pupil, or (b) if the school attended by the pupil is one which came into the possession of the district of attendance by reason of the annexation or transfer of territory, including the site of the school, of the district in which the pupil lives to the district of attendance and the pupil would have normally attended such school had its site remained in the district in which the pupil lives, such amount as the county board of education may fix but not more than the actual cost to the district of attendance of educating such pupil, less all state and federal funds apportioned to the district on account of the attendance of such pupil, nor less than the actual average cost to the district in which the pupil lives of educating pupils in schools of the same grade level, less the average amount per pupil of all state and federal funds apportioned to the district on account of the attendance of pupils.

A pupil may be admitted provisionally to the schools of a district other than that in which he lives by the governing board of such district for a period of not exceeding two school months, pending decision by the governing boards of the school districts concerned, or by the county board of education relative to his admittance.

The provisions of this section do not apply to the attendance of pupils in the seventh and eighth grades of a junior high school. Exception

CHAPTER 856

An act to amend Section 11624 of the Insurance Code, relating to assigned risk plans.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 11624 of the Insurance Code is amended to read:

11624. Such plan shall contain:

(a) Standards for determining eligibility of applicants for insurance, and in establishing such standards the following may be taken into consideration in respect to the applicant or any other person who may reasonably be expected to operate the applicant's automobile with his permission:

- (1) His criminal conviction record;
- (2) His record of suspension or revocation of a license to operate an automobile;
- (3) His automobile accident records;
- (4) His age and mental, physical and moral characteristics which pertain to his ability to safely and lawfully operate an automobile;
- (5) The condition or use of the automobile.
- (b) Procedures for making application for insurance, for apportionment of eligible applicants among the subscribing insurers and for appeal to the commissioner by persons who believe themselves aggrieved by the operation of the plan.
- (c) A provision that the organization administering such plan shall notify the Department of Motor Vehicles regarding the name of each applicant for insurance who is rejected by the assigned risk plan and the statutory grounds for such rejection. The information contained in such notification shall be for the confidential use of the Department of Motor Vehicles
- (d) Rules and regulations governing the administration and operation of the plan.
- (e) Provisions showing the basis upon which premium charges shall be made, and
- (f) Such other provisions as may be necessary to carry out the purpose of this article.

CHAPTER 857

An act to amend Section 422.3 of the Vehicle Code, relating to persons subject to the security following accident law, and releases, judgments and settlement agreements thereunder.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 422.3 of the Vehicle Code is amended to read:

422.3. Releases, Judgments and Settlement Agreements. Exemption may be established under Section 422 by filing evidence satisfactory to the department:

(a) That the driver has been released from liability by all other persons injured or damaged in the accident. A covenant not to sue shall relieve the parties thereto as to each other from the security requirements of this chapter. The department may accept, for the purposes of this chapter only, evidence of a release from liability executed by a natural guardian or legal guardian on behalf of a minor without the approval of any court or judge.

(b) That all judgments that may arise out of damages or injuries sustained in the accident have been rendered in favor of the driver or have been satisfied by him.

(c) That a duly acknowledged settlement agreement with respect to all damages or injuries arising out of the accident has been executed by the driver. In the event of a default in any payment under such an agreement, and upon notice of such default, the department shall forthwith suspend the driving privilege of the person defaulting, including all licenses evidencing such privilege, and the privilege or licenses shall not be restored unless and until:

(1) Such driver deposits and thereafter maintains security as required under Section 420 or in such amount as the department may then determine, or

(2) One year shall have elapsed following the date when such security was required and during such period no action at law upon such agreement or for damages arising out of such accident has been instituted and is pending.

(d) The department may accept evidence of a payment to a driver or to the owner of a vehicle involved in any accident by the insurance carrier of any other person involved in such accident on account of damage to property or bodily injury as effective to relieve such driver or owner from the security and suspension provisions of this chapter in respect to any claim for property damage or bodily injury arising out of the accident by the person on whose behalf such payment has been made. A payment to the insurance carrier of a driver or owner under its right of subrogation shall be the equivalent of a payment to such driver or owner.

CHAPTER 858

An act to amend Section 679.1 of the Vehicle Code, relating to vehicles carrying logs or poles.

[Approved by Governor June 2, 1955 Filed with
Secretary of State June 3, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 679.1 of the Vehicle Code is amended to read:

679.1. Loading and Securement of Logs and Poles. The following are the rules governing the loading and securement of logs and poles for transportation over public highways by vehicles:

Loading,
etc., of logs
and poles

Part 1. General Rules

1. Minimum Binder Requirements (Molly Hogans and Lapped Cold Shuts Prohibited Except in an Emergency). a. Wire Rope. Three-eighths inch ($\frac{3}{8}$ ") plow steel in good condition.

Binder re-
quirements

b. Steel Chain. Three-eighths inch ($\frac{3}{8}$ ") high test steel.

c. Binders shall be equipped with tighteners which shall be of a locking type and designed to develop strength at least equal to that of the binder.

d. Binders and binder tighteners shall be maintained in good condition.

e. Binders securing loads shall be tightened and locked prior to a vehicle entering upon a public highway and inspection shall be made en route to assure that the load is stable and that the binders are tight and locked. If the load becomes unstable, due to shifting or otherwise, the vehicle shall be driven from the main traveled portion of the public highway and shall not be again moved upon the main traveled portion of a public highway until corrective load or binder adjustments are made.

f. Gut wrappers shall be considered as binders except under Rules 9a and 9d, and where load encircling binders are otherwise prescribed. Gut wrappers shall be so arranged and tensioned that they do not bear full support of the logs or poles resting thereon.

Stakes

2. Stakes. a. When wooden stakes are used, unless otherwise provided, stakes shall be not less than two inches by four inches (2" x 4") in thickness and width, respectively, when supporting loads less than five feet (5') in height and shall be not less than four inches by four inches (4" x 4") when supporting loads in excess of five feet (5') in height above top of vehicle bed. Stakes must be straight grained and free from strength impairing knots.

b. Stakes supporting loads shall be connected one to the other longitudinally at or near the top by binder or strap material or by one continuous length of lumber not less than one inch by four inches (1" x 4") in thickness and width, respectively, securely attached to each stake by nails or bolts.

c. When stakes are supporting loads in excess of two feet (2') and less than five feet (5') in height, each opposite pair of stakes shall be connected across the top of the load by materials similar to those described in Rule 2b.

d. When stakes are supporting loads in excess of five feet (5') in height each opposite pair of stakes shall be connected across the top of the load by materials similar to those described in Rule 2b and, in addition, shall be connected at the approximate vertical midpoint by binder or strap material.

Strapping
specifications

3. Minimum Strapping Specifications. When straps are used on stakes the minimum shall be three-fourths inch by thirty-five thousandths inch ($\frac{3}{4}$ " x 0.035"), twenty-nine hundred (2900) pounds test, high tension band, machine tensioned and sealed with one (1) double crimp or two (2) single crimp seals. Straps may be of high tension wire or common annealed wire (twisted taut); provided, that sufficient strands of such wire shall be used to give strength equal to that of the high tension band. The number of strands thus used shall depend upon the breaking strength assigned by a manufacturer to any particular gauge wire.

Stake
pockets

4. Stake Pockets. A stake pocket shall be designed to accept the stake and be equal to the stake strength.

5. Bulkheads. A substantial bulkhead shall be provided Bulkheads which shall extend up to the approximate height of the driver's compartment.

6. Log trailers being carried on trucks shall have at least Log trailers one set of tires resting against a steel cross rail or rails and steel side chocks measuring not less than four inches (4") from base to tip which shall be securely attached to said truck in a manner designed to prevent the forward and sideward movement of such trailer.

7. Bunks and Chock Blocks. a. Chock blocks shall extend Bunks and chock blocks to not less than eight inches (8") above the top edge of the bunk except when hauling poles less than twenty-five inches (25") in diameter at the chock.

b. Chock block chains shall be not less than one-half inch ($\frac{1}{2}$ ") high test steel chain.

c. No portion of chock blocks shall extend beyond the ends of the bunks to a point where tilting occurs.

d. Bunks shall have reasonably sharp top edges to minimize load end shift.

e. Bunks and chock blocks shall be maintained to operate freely without binding.

f. Bunks shall not be bent down in excess of one inch (1") at either end.

Part 2. Logs and Poles

8. Construction of Loads. a. Loads of logs and poles shall Construction of loads be loaded in pyramid fashion unless otherwise provided herein.

b. Loads of logs and poles shall be solidly packed and have the weight centered over the bunks.

c. Logs and poles less than twenty-five inches (25") in diameter at the butt end may be loaded and transported on flat bed vehicles in other than pyramid fashion; provided, that the height of the load does not exceed the height of the bulkhead on the truck portion and that at least three pairs of stakes shall be in place in stake pockets when lengths are less than twenty feet (20') and at least four pairs of stakes shall be in place in stake pockets when lengths exceed twenty feet (20'). Such stakes and stake pockets shall comply with Rules 2 and 4. (See Rule 8d.)

d. Loads constructed and protected in the manner prescribed in Rule 8c are exempted from the binder requirements set forth in Rules 9b to 9e, inclusive; provided, that the load occupies the full space between the opposite stakes and that not less than two (2) load encircling binders are in place, one near each end, tightly tensioned at all times on loads two (2) or more logs or poles in height.

9. Binding Loads on Logging Trucks. a. A single log or pole shall be secured with one binder. Each end of such binder shall be secured to the trailer bunk. Binding loads Logging trucks

b. Loads two (2) or more logs or poles in height shall have four (4) binders at least one of which shall be a gut wrapper

around load as evenly spaced as possible but with one binder firmly attached to the rear bunk.

c. Loads over six (6) logs or poles in height shall have six (6) binders, at least one of which shall be a gut wrapper, equally spaced. (See Rule 1. f.)

d. Short logs on top of load shall be secured to the load by two (2) of the binders specified herein.

Binding
loads:
Flat bed
vehicles

10. Binding Loads on Flat Bed Vehicles (See also Rules 8c and 8d). a. Logs or poles loaded on flat bed vehicles, pyramid fashion, shall have all binders except gut wrappers secured to the vehicle, and shall also be provided with not less than three (3) stakes, of the type prescribed in Rule 10b, equally spaced on each side of the load

b. Stakes, as prescribed in Rule 10a shall be not less than four inches by four inches (4" x 4"). secured in stake pockets of the type and in the manner prescribed in the general rules. Such stakes shall extend to not less than one-half ($\frac{1}{2}$) the diameter of the log or pole directly adjacent to the stakes in the bottom layer of a pyramid load.

CHAPTER 859

An act to amend Section 737.5 of the Vehicle Code, relating to procedure after arrest for a violation of the Vehicle Code.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 737.5 of the Vehicle Code is amended to read:

737.5. Procedure When Offense Committed by Nonresident Driving Foreign Motor Vehicle and Unable to Give Address in This State. Whenever a nonresident is arrested for violating any section of this code while driving a foreign motor vehicle, and such person does not furnish satisfactory evidence of identity and an address within this State at which he can be located, such arrested person may, in the discretion of the arresting officer, be taken immediately before a magistrate within the county where the offense charged is alleged to have been committed, and who has jurisdiction over such offense and is nearest or most accessible with reference to the place where the arrest is made, or if the magistrate is not available, before the clerk of the magistrate or the officer in charge of the most accessible county jail, city jail or other place of detention within the county, who shall admit him to bail in accordance with the provisions of Section 737.1. If the magistrate is not available at the time of the arrest and the arrested person is not taken before any other person authorized to receive a deposit of bail, and if the arresting officer does not have the authority or is not required to take the arrested person before

a magistrate or other person authorized to receive a deposit of bail by some other provision of law, such arrested person shall be released from custody upon giving a written promise to appear as provided in Section 739 of this code.

CHAPTER 860

An act to amend Section 1963 of the Code of Civil Procedure, relating to disputable presumptions in actions at law.

[Approved by Governor June 2, 1955 Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1963 of the Code of Civil Procedure is amended to read:

1963. All other presumptions are satisfactory, if uncontradicted. They are denominated disputable presumptions, and may be controverted by other evidence. The following are of that kind:

1. That a person is innocent of crime or wrong;
2. That an unlawful act was done with an unlawful intent;
3. That a person intends the ordinary consequence of his voluntary act;
4. That a person takes ordinary care of his own concerns;
5. That evidence wilfully suppressed would be adverse if produced;
6. That higher evidence would be adverse from inferior being produced;
7. That money paid by one to another was due to the latter;
8. That a thing delivered by one to another belonged to the latter;
9. That an obligation delivered up to the debtor has been paid;
10. That former rent or installments have been paid when a receipt for later is produced;
11. That things which a person possesses are owned by him;
12. That a person is the owner of property from exercising acts of ownership over it, or from common reputation of his ownership;
13. That a person in possession of an order on himself for the payment of money, or the delivery of a thing, has paid the money or delivered the thing accordingly;
14. That a person acting in a public office was regularly appointed to it;
15. That official duty has been regularly performed;
16. That a court or judge, acting as such, whether in this State or any other state or country, was acting in the lawful exercise of his jurisdiction;
17. That a judicial record, when not conclusive, does still correctly determine or set forth the rights of the parties;

18. That all matters within an issue were laid before the jury and passed upon by them; and in like manner, that all matters within a submission to arbitration were laid before the arbitrators and passed upon by them;

19. That private transactions have been fair and regular;

20. That the ordinary course of business has been followed;

21. That a promissory note or bill of exchange was given or endorsed for a sufficient consideration;

22. That an endorsement of a negotiable promissory note or bill of exchange was made at the time and place of making the note or bill;

23. That a writing is truly dated;

24. That a letter duly directed and mailed was received in the regular course of the mail;

25. Identity of person from identity of name;

26. That a person not heard from in seven years is dead;

27. That acquiescence followed from a belief that the thing acquiesced in was conformable to the right or fact;

28. That things have happened according to the ordinary course of nature and the ordinary habits of life;

29. That persons acting as copartners have entered into a contract of copartnership;

30. That a man and woman deporting themselves as husband and wife have entered into a lawful contract of marriage;

31. That a child born in lawful wedlock, there being no divorce from bed and board, is legitimate;

32. That a thing once proved to exist continues as long as is usual with things of that nature;

33. That the law has been obeyed;

34. That a document or writing more than 30 years old is genuine, when the same has been since generally acted upon as genuine, by persons having an interest in the question, and its custody has been satisfactorily explained;

35. That a printed and published book, purporting to be printed or published by public authority, was so printed or published;

36. That a printed and published book, purporting to contain reports of cases adjudged in the tribunals of the State or country where the book is published, contains correct reports of such cases;

37. That a trustee or other person, whose duty it was to convey real property to a particular person, has actually conveyed to him, when such presumption is necessary to perfect the title of such person or his successor in interest;

38. The uninterrupted use by the public of land for a burial ground, for five years, with the consent of the owner, and without a reservation of his rights, is presumptive evidence of his intention to dedicate it to the public for that purpose;

39. That there was a good and sufficient consideration for a written contract;

40. That property owned at the time of death by a person who had been divorced from his or her spouse more than four years prior thereto was not community property acquired during marriage with such divorced spouse, but is his or her separate property.

CHAPTER 861

An act to amend Section 2466 of the Civil Code, relating to the use of fictitious names for transacting business.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2466 of the Civil Code is amended to read:

2466. Except as otherwise provided in the next section every person transacting business in this State under a fictitious name and every partnership transacting business in this State under a fictitious name, or a designation not showing the names of the persons interested as partners in such business, must file with the clerk of the county in which his or its principal place of business is situated, a certificate subscribed and acknowledged in the manner provided in Section 2468 of the Civil Code, stating the name in full and the place of residence of such person and stating the names in full of all the members of such partnership and their places of residence.

Such subscribed and acknowledged certificate must be published subsequent to the filing thereof with the county clerk pursuant to Government Code Section 6064, in a newspaper published in the county, if there be one, and if there be none in such county, then in a newspaper in an adjoining county. An affidavit showing the publication of such certificate as in this section provided shall be filed with the county clerk within 30 days after the completion of such publication, but in no event shall such publication be made prior to the filing of such certificate with the county clerk.

CHAPTER 862

An act to amend Section 26820 of the Government Code, relating to fees charged by the county clerk.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26820 of the Government Code is amended to read:

26820. The county clerk shall charge and collect the fees fixed in this article for service performed by him, when not otherwise provided by law.

CHAPTER 863

An act to amend Section 17708 of the Health and Safety Code, relating to cooking in hotel rooms.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 17708 of the Health and Safety Code is amended to read:

17708. This part does not prevent the installation, maintenance, or use of a hot plate in a room of any hotel which is occupied, or is ready for occupancy, on the effective date of this section, if:

(a) The hot plate will be, or is, used solely for the cooking or preparation of meals for consumption solely by the occupant of the room.

(b) The hot plate is of an approved type.

(c) The installation, maintenance, or use of a hot plate will not be, or is not, hazardous to life or property.

Such installations in a sleeping room shall not constitute a room in which food is stored or prepared for the purposes of Section 17509 of this code.

As used in this section, "hotel" has the same meaning as defined in Section 15020, except that it may contain less than six guest rooms and it may be occupied; or intended or designed for occupation, by less than six guests.

Any city or county may enact an ordinance to prohibit the installation, maintenance or use of a hot plate in any room of any hotel.

This section shall remain in effect until the ninety-first day after the final adjournment of the 1957 Regular Session of the Legislature. While it is in effect it shall supersede any existing provision in this code or elsewhere in the law which is in conflict with it; but such conflicting provision is not repealed, and after this section is no longer effective it shall have the same force as though this section had not been enacted.

CHAPTER 864

An act to amend Section 468 of the Vehicle Code, relating to speed restriction signs.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 468 of the Vehicle Code is amended to read:

468. Speed Restriction Signs. (a) Speed restriction signs shall be erected upon every state highway at the entrance thereof into a business or residence district.

(b) Speed restriction signs may, but need not, be erected upon any other street or highway at the entrance thereof into a business or residence district unless required under the provisions of subdivision (c) of this section.

(c) Whenever the State Department of Public Works or a local authority as authorized by this code determines and declares a prima facie speed limit different from the limit otherwise applicable under Section 511 of this code upon any street, highway or portion thereof, appropriate speed restriction signs shall be erected and maintained on said street, highway or portion thereof at the outside entrances of that portion of such street or highway upon which the special prima facie speed limit is applicable.

CHAPTER 865

An act to amend Section 540 of the Vehicle Code, relating to required position and method of turning at intersections.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 540 of the Vehicle Code is amended to read:

540. Required Position and Method of Turning at Intersections. The driver of a vehicle intending to turn at an intersection shall do so as follows:

(a) Right Turns. Both the approach for a right turn and a right turn shall be made as close as practicable to the right-hand curb or edge of the roadway.

(b) Left Turns. The driver of a vehicle intending to turn left at any intersection shall approach the intersection in the extreme left-hand lane lawfully available to traffic moving in the direction of travel of such vehicle and after entering the intersection the left turn shall be made so as to leave the intersection in a lane lawfully available to traffic moving in such direction upon the roadway being entered.

(c) The State Department of Public Works, Division of Highways, in respect to highways under its jurisdiction and a local authority in respect to highways under its jurisdiction may cause markers, buttons or signs to be placed within or adjacent to intersections and thereby require and direct that a different course from that specified in this section be traveled by vehicles turning at an intersection or may allocate and indicate more than one lane of traffic from which drivers of vehicles may make right- or left-hand turns and when markers, buttons or signs are so placed, no driver of a vehicle shall turn a vehicle at an intersection other than as directed and required or permitted by such markers, buttons or signs.

CHAPTER 866

An act to amend Section 511 of the Vehicle Code, relating to prima facie speed limits.

In effect
September
7, 1955

[Approved by Governor June 2, 1955 Filed with
Secretary of State June 3, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 511 of the Vehicle Code is amended to read:

511. **Prima Facie Speed Limits.** The speed of any vehicle upon a highway not in excess of the limits specified in this section or established as authorized in this code is lawful unless clearly proved to be in violation of the basic rule declared in Section 510 hereof.

The speed of any vehicle upon a highway in excess of any of the limits specified in this section or established as authorized in this code is prima facie unlawful unless the defendant establishes by competent evidence that any said speed in excess of said limits did not constitute a violation of the basic rule declared in Section 510 hereof at the time, place and under the conditions then existing.

The prima facie limits referred to above are as follows and the same shall be applicable unless changed as authorized in this code and, if so changed, then only when signs have been erected giving notice thereof, in which event the speed designated on the sign shall be the prima facie limit:

(a) 15 miles per hour:

(1) When passing a school building or the grounds thereof, contiguous to the highway while children are going to or leaving such school during opening or closing hours or during the noon recess period. Such prima facie limit shall also apply when passing any school grounds which are not separated from the highway by a fence, gate or other physical barrier while such grounds are in use by children.

(2) When traversing a grade crossing of a steam, electric or street railway, if during the last 100 feet of the approach to such crossing the driver does not have a clear and unobstructed view of such crossing and of any traffic on such railway for a distance of 400 feet in both directions along such railway. This subdivision shall not apply in the case of any railway grade crossing where a human flagman is on duty or a clearly visible electrical or mechanical railway crossing signal device is installed but does not then indicate the immediate approach of a railway train or car.

(3) When traversing any intersection of highways if during the last 100 feet of his approach to such intersection the driver does not have a clear and unobstructed view of such intersection and of any traffic upon all of the highways entering such intersection for a distance of 100 feet along all

such highways, except on a through highway or at a traffic-controlled intersection.

(b) 25 miles per hour in any business or residence district unless a different speed is determined by competent authority under procedures set forth in this code.

(c) 55 miles per hour under all other conditions unless a different speed is specifically designated in this code or is determined and declared by competent authority under procedures set forth in this code.

CHAPTER 867

An act to add Title 4, comprising Sections 3425.1 to 3425.5, to Part 1, Division 4, of the Civil Code, relating to actions based upon a single publication, exhibition or utterance.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Title 4, comprising Sections 3425.1 to 3425.5 is added to Part 1, Division 4, of the Civil Code, to read:

TITLE 4. UNIFORM SINGLE PUBLICATION ACT

3425.1. This title may be cited as the Uniform Single Publication Act.

3425.2. This act shall be so interpreted as to effectuate its purpose to make uniform the law of those states or jurisdictions which enact it.

3425.3. No person shall have more than one cause of action for damages for libel or slander or invasion of privacy or any other tort founded upon any single publication or exhibition or utterance, such as any one issue of a newspaper or book or magazine or any one presentation to an audience or any one broadcast over radio or television or any one exhibition of a motion picture. Recovery in any action shall include all damages for any such tort suffered by the plaintiff in all jurisdictions.

3425.4. A judgment in any jurisdiction for or against the plaintiff upon the substantive merits of any action for damages founded upon a single publication or exhibition or utterance as described in Section 3425.3 shall bar any other action for damages by the same plaintiff against the same defendant founded upon the same publication or exhibition or utterance.

3425.5. This title shall not be retroactive as to causes of action existing on its effective date.

CHAPTER 868

An act to amend Section 635 of the Vehicle Code, relating to parking lights, and declaring the urgency thereof.

In effect
immediate

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 635 of the Vehicle Code is amended to read:

635. Side, Cowl or Fender Lamps. Any motor vehicle may be equipped with not more than two lighted side lamps, and in addition not more than two lighted cowl or fender lamps, but the light source in any such lamps shall not exceed three standard candlepower and shall emit diffused amber or white light without glare.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Many late model vehicles carry as standard equipment two side lamps in addition to the ordinary lighting devices permitted on vehicles, which side lamps are designed to insure increased safety in operation. It is essential that this act go into immediate effect in order that such vehicles may be legally operated on the highways of this State.

CHAPTER 869

An act to add Chapter 9.5 to Part 4 of Division 14 of the Streets and Highways Code, relating to highway lighting districts.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 9.5 is added to Division 14, Part 4 of the Streets and Highways Code, to read:

CHAPTER 9.5. REPLACEMENT OF OBSOLETE LIGHTING
SYSTEM IN EXISTING DISTRICT

Petition:

19165. Upon the receipt of a petition signed by owners of taxable property representing 60 percent or more of the total assessed valuation of all taxable property within an existing highway lighting district, or within a temporary zone requested to be established by said petition in the manner hereinafter provided in this chapter, the governing body of the district may replace an obsolete county-owned lighting system with a new modern county- or utility-owned lighting system

where necessary for the proper operation of the district or of the portion thereof lying within such temporary zone.

19166. A petition asking for the removal of obsolete county-
owned lights and their replacement with modern county- or
utility-owned lights pursuant to this chapter may request the
board of supervisors to establish a temporary zone consisting
solely of contiguous territory within the district which will
be benefited by said replacement lights, for the purpose of
levying a special tax therein to finance the cost of removal of
the old lights and installation and temporary maintenance of
the new lights. In such case the petition shall contain:

(a) A general description of the nature of the proposed
replacement lights, together with a map showing the location
thereof.

(b) An estimate of all costs or charges which will be in-
curred in connection with the removal of the old lights and
the installation of the new lights, together with a statement
as to the period of time, not to exceed three years, proposed
for the payment of said costs or charges.

(c) An estimate of the average monthly cost of maintenance
of the replacement lights.

(d) A description of the boundaries of the proposed tempo-
rary zone.

A proposal to form a temporary zone pursuant to this sec-
tion shall be subject to the provisions of Chapter 3 of Title 6
of the Government Code to the same extent as a proposal to
form a district.

19167. Upon the presentation of a petition pursuant to this
chapter, the clerk of the board of supervisors shall immediately
refer the same to an appropriate county officer, who shall cer-
tify to the board the number of owners of taxable property
within the boundaries of the district or the proposed zone
whose names appear on said petition, together with the per-
centage of the total assessed valuation of all taxable property
within the boundaries of the district or zone, which said sig-
natures represent.

Certification
of property
owners
assessed
valuation

19168. If the certifying officer certifies that the petition
bears the signatures of owners of taxable property within the
district or, if applicable, the proposed zone representing 60
percent or more of the total assessed value of all taxable prop-
erty therein, the petition shall be filed, and the board of super-
visors shall fix a time for hearing the petition and the protests
of interested parties, and shall cause a notice of the filing of
the petition and the time set for the hearing to be published
in a newspaper designated by said board as most likely to give
notice to the inhabitants of the district and, if applicable, the
proposed zone. If there is no such newspaper, copies of the
notice shall be posted in three conspicuous places in the terri-
tory included in the district or, if applicable, the proposed
zone, for three weeks prior to the date fixed for hearing the
petition. The notice shall contain the text of said petition, but
the names of the signers of the petition need not be published.

Filing,
hearing, etc.

Denial

If the certifying officer's certificate shows that any petition requesting the establishment of a temporary zone does not bear the required number of signatures, the request for the formation of a temporary zone shall be denied, without prejudice to the filing of a new petition therefor.

In such event, or if the petition does not request the establishment of a temporary zone, and the certifying officer's certificate shows that the petition does not bear the signatures of owners of taxable property representing 60 percent or more of the total assessed valuation of all taxable property within the existing highway lighting district, the petition shall be denied.

Objections

19169. Upon the date fixed for the hearing, or at any time to which it is continued, the board of supervisors shall, in addition to any other proceedings required by law, consider the request for formation of a temporary zone and any objections which may be filed against it or against the formation of the proposed zone.

Establishment of temporary zone

19170. If the board of supervisors determines with respect to a petition for the replacement of lights filed in conformity with this chapter, that

(a) It is just and equitable, and in the public interest, that the obsolete lighting system be replaced as provided in this chapter and that the proposed temporary zone be formed, and

(b) The petition was signed by resident taxpayers representing 60 percent or more of the total assessed valuation of all taxable property within the territory proposed to be formed into a zone, the board shall by resolution, entered in its minutes, fix and describe the boundaries of the proposed zone in such manner that any territory which will not be benefited by inclusion therein, or which is not contiguous thereto, or which is not described in the petition, shall not be included therein; shall declare said zone established, designating it by an identifying name or number; and shall specify the purposes and duration thereof, not to exceed three years from the beginning of the next ensuing fiscal year in which a special tax levy may be made in said zone.

Replacement of entire system

19171. With respect to a petition for the replacement of lights which includes no request for the establishment of a temporary zone, if the board of supervisors determines that it will be just and equitable and in the public interest for the additional cost, if any, of removing the obsolete county-owned lighting system and its replacement with a modern county- or utility-owned lighting system to be paid by the district as a whole, it shall immediately estimate the cost of replacement of the obsolete system and installation and maintenance of the modern system, and shall include in the regular tax levy for the first fiscal year in which it is possible to do so, a tax upon the taxable property within the district, at the equalized value thereof for that year, sufficient to pay such cost of replacement, installation and maintenance. After the tax levy has been made the governing body shall proceed with the replacement of the

obsolete system and the installation and maintenance of the modern system.

19172. The provisions of Sections 19036 and 19037 apply to proceedings under this chapter.

19173. A statement regarding the boundaries of a zone established pursuant to this chapter shall be filed as provided by Chapter 8, Part 1, Division 2, Title 5 of the Government Code, together with a statement as to the period of duration of said zone specified in the resolution establishing it.

Filing
statement of
boundaries

19174. In order that the obsolete system may be removed and a modern system installed in its place and maintained immediately after the action of the board pursuant to Section 19170, the governing body may authorize the immediate removal of the obsolete system in the said zone and the installation of the modern system in said zone, and may contract to pay any costs or charges incurred by reason of such removal and such installation in equal periodic payments over a period of not to exceed the period of duration of said zone specified in the resolution establishing it.

Installation
of system,
contracts

19175. The board of supervisors may from time to time transfer moneys to the district, for the benefit of said zone, from any available funds of the county. Any moneys so transferred are hereby appropriated, and shall be used, for the payment of any currently payable expenses incurred by reason of the removal of the obsolete system and the installation of the modern system proposed for said zone, and for the cost of maintenance thereof prior to December 1st of the first fiscal year in which a special tax may be levied in and on behalf of said zone. All costs of maintenance of said modern system, subsequent to said date, shall be budgeted and included in the general levy of taxes in and on behalf of the district as a whole.

Costs,
funds, etc

19176. The board of supervisors shall, in the first fiscal year in which a special tax may be levied in and on behalf of said zone, levy a special tax upon the taxable property therein for the purposes of said zone, and shall include in said levy a sum sufficient to repay to the county the amounts transferred to the district pursuant to Section 19175. The amounts so transferred shall be retransferred to the county treasury from the first available receipts from said special levy in said zone.

Special
tax levy

Thereafter in the succeeding fiscal year or years during which said temporary zone remains in existence, the board shall levy a special tax therein sufficient to pay any additional costs or charges incurred by reason of the removal of the obsolete system and the installation of said modern system therein, which may by contract be made payable in such year or years.

All special taxes levied in and on behalf of a zone, pursuant to this section, are in addition to any taxes levied therein for and on behalf of the district as a whole.

Duration,
etc., of zone

19177. A zone shall remain in existence for the period of time specified in the resolution of the board of supervisors which established it, and shall thereafter automatically terminate; provided, there are then no outstanding obligations payable from special taxes to be levied in said zone.

CHAPTER 870

An act to add Section 970.6 to the Fish and Game Code, relating to shrimp traps.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 970.6 is added to the Fish and Game Code, to read:

970.6. Shrimp traps not to exceed 20 inches in width, 18 inches in height, and 24 inches in greatest length, with openings from exterior to interior not to exceed one-half inch in any dimension throughout the trap, may be used in Districts 18, 19, 19B, 20A and 21 to take shrimp only.

CHAPTER 871

An act to amend Section 4668 of the Education Code, relating to the assumption of bonded indebtedness by a unified school district.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 4668 of the Education Code is amended to read:

4668. Upon petition of 10 percent of the qualified electors residing in any elementary school district, high school district, or junior college district which has been included in a unified school district requesting him to do so, or by resolution adopted by the governing board of the unified school district, the county superintendent of schools having jurisdiction of the district shall call an election in the unified school district for the purpose of permitting the qualified electors to vote upon the question of whether or not the unified school district shall assume the bonded indebtedness of the elementary school district, high school district, or junior college district, as the case may be. The election shall be called, held, and conducted as are elections for the issuance of school district bonds excepting that the notice for the election shall contain the following:

- (a) The time and place, or places of holding the election
- (b) The names of the officers of the election appointed to conduct the election.
- (c) The hours of the day during which the polls will be open.
- (d) The amount of the bonded indebtedness and the interest rate thereon proposed to be assumed by the unified school district.

The ballot at the election shall contain the words "Assumption of Bonded Indebtedness—Yes" and "Assumption of Bonded Indebtedness—No," or words of similar import.

No bonded indebtedness shall be assumed by a unified school district unless two-thirds of the qualified electors voting at the election vote in favor of the assumption.

CHAPTER 872

An act to amend Section 19 of the Welfare and Institutions Code, relating to the care and protection of children.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 19 of the Welfare and Institutions Code is amended to read:

19. The purpose of this code is to provide for protection, care, and assistance to the people of the State in need thereof, and to promote the welfare and happiness of all of the people of the State by providing public assistance to all of its needy and distressed. It is the legislative intent that assistance shall be administered promptly and humanely, with due regard for the preservation of family life, and without discrimination on account of race, religion, or political affiliation; and that assistance shall be so administered as to encourage self-respect, self-reliance, and the desire to be a good citizen, useful to society.

It is also the purpose of this code, in establishing programs and services which are designed to provide protection, support or care of children, to provide protective services to the fullest extent deemed necessary by the juvenile court, probation department or other public agencies designated by the board of supervisors to perform the duties prescribed by this code to insure that the rights or physical, mental or moral welfare of children are not violated or threatened by their present circumstances or environment. Such essential services may be provided irrespective of whether the child or the family of the child is otherwise known to the responsible local agency.

CHAPTER 873

An act to amend Section 446 of the Code of Civil Procedure and Section 118 of the Penal Code, relating to verification of pleadings and the punishment for false statements.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 446 of the Code of Civil Procedure is amended to read:

Subscription,
verification,
etc., of
pleadings

446. Every pleading (except in justice courts when the pleadings are oral) shall be subscribed by the party or his attorney. When the State, any county thereof, city, or school district, or any officer of the State, or of any county thereof, city, or school district, in his official capacity, is plaintiff, the answer shall be verified, unless an admission of the truth of the complaint might subject the party to a criminal prosecution, or, unless a county thereof, city, or school district, or an officer of the State, or of any county, city, or school district, in his official capacity, is defendant. Except in justice courts, when the complaint is verified, the answer shall be verified. In all cases of a verification of a pleadings, the affidavit of the party shall state that the same is true of his own knowledge, except as to the matters which are therein stated on his information or belief, and as to those matters that he believes it to be true; and where a pleading is verified, it shall be by the affidavit of a party, unless the parties are absent from the county where the attorney has his office, or from some cause unable to verify it, or the facts are within the knowledge of his attorney or other person verifying the same. When the pleading is verified by the attorney, or any other person except one of the parties, he shall set forth in the affidavit the reasons why it is not made by one of the parties.

When a corporation is a party, the verification may be made by any officer thereof. When the State, any county thereof, city, or school district, or any officer of the State, or of any county thereof, city, or school district, in his official capacity is plaintiff, the complaint need not be verified; and if the State, any county thereof, city, or school district, or an officer of such state, county, city, or school district in his official capacity is defendant, its or his answer need not be verified.

A person verifying a pleading need not swear to the truth or his belief in the truth of the matters stated therein but may, instead, assert the truth or his belief in the truth of such matters "under penalty of perjury."

SEC. 2. Section 118 of the Penal Code is amended to read:

Perjury

118. Every person who, having taken an oath that he will testify, declare, depose, or certify truly before any competent tribunal, officer, or person, in any of the cases in which such

an oath may by law be administered, wilfully and contrary to such oath, states as true any material matter which he knows to be false, and every person who testifies, declares, deposes, or certifies "under penalty of perjury" in any of the cases in which such testimony, declarations, depositions, or certification is permitted by law under "penalty of perjury" and wilfully states as true any material matter which he knows to be false, is guilty of perjury.

CHAPTER 874

An act to amend Sections 12011.7, 12106, and 12107 of, and to add Sections 12758, 12786, 13001.4, and 14002.4 to, the Education Code, relating to persons determined to be sexual psychopaths in respect to employment in the Public School System and to certification documents in connection therewith.

[Approved by Governor June 2, 1955 Filed with
Secretary of State June 3, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12011.7 of the Education Code is amended to read:

12011.7. "Sex offense" as used in Sections 12107, 12756, 12785, 13001.3, and 14002.3 of this code means any offense defined in Sections 266, 267, 285, 286, 288, 288a, 647a, subdivision 3 or 4 of Section 261, subdivision 5 of Section 647, or subdivision 2 of Section 311 of the Penal Code; or any offense defined in subdivision 1 of Section 311 of the Penal Code committed on or after the effective date of the amendment of this section made at the 1955 Regular Session by the Legislature; or any offense involving lewd and lascivious conduct under Section 702 of the Welfare and Institutions Code; or any attempt to commit any of the above-mentioned offenses; or any offense committed or attempted in any other state which, if committed or attempted in this State, would have been punishable as one or more of the above-mentioned offenses.

"Sex
offense"

SEC. 2. Section 12106 of said code is amended to read:

12106. The State Board of Education may deny any application for the issuance of a credential or a life diploma or for the renewal of a credential made by any applicant who:

Denial of
credential,
etc
Grounds

(a) Lacks the qualifications which are prescribed by law or regulations adopted by the State Board of Education pursuant thereto.

(b) Is physically so disabled as to be rendered unfit to perform the duties authorized by the credential or life diploma for which he applies.

(c) Is addicted to the use of intoxicating beverages to excess.

(d) Is addicted to the use of narcotics or habit-forming drugs.

(e) Has committed any act involving moral turpitude.

(f) Has had a certification document revoked.

(g) Has intentionally practiced or attempted to practice any material deception or fraud in his application.

(h) Fails or refuses to furnish reasonable evidence of identification or good moral character.

(i) Has been convicted of any offense defined in subdivision 1 of Section 311 of the Penal Code prior to the effective date of the amendment of this section made at the 1955 Regular Session by the Legislature.

SEC. 3. Section 12107 of said code is amended to read:

Same
Sexual
psychopath

12107. The State Board of Education shall deny any application for the issuance of a credential or a life diploma or for the renewal of a credential made by any applicant who has been determined to be a sexual psychopath under the provisions of Chapter 4, Part 1, Division 6 of the Welfare and Institutions Code or under similar provisions of law of any other state or who has been convicted of any sex offense as defined in Section 12011.7.

SEC. 4. Section 12758 is added to said code, to read:

Suspension,
revocation of
credential
Sexual
psychopath

12758. Whenever the holder of any credential, life diploma, or document issued by the State Board of Education has been determined to be a sexual psychopath under the provisions of Chapter 4, Part 1, Division 6 of the Welfare and Institutions Code or under similar provisions of law of any other state, the State Board of Education shall forthwith suspend the credential, life diploma, or document. If the determination is reversed and the holder is determined not to be a sexual psychopath in a new proceeding or the proceeding to determine whether he is a sexual psychopath is dismissed, the board shall forthwith terminate the suspension of the credential, life diploma, or document. When the determination becomes final, the board shall forthwith revoke the credential, life diploma, or document.

SEC. 5. Section 12786 is added to said code, to read:

12786. Whenever the holder of a certificate issued by a county board of education has been determined to be a sexual psychopath under the provisions of Chapter 4, Part 1, Division 6 of the Welfare and Institutions Code or under similar provisions of law of any other state, the county board of education shall forthwith suspend the certificate. If the determination is reversed and the holder is determined not to be a sexual psychopath in a new proceeding or the proceeding to determine whether he is a sexual psychopath is dismissed, the board shall forthwith terminate the suspension of the certificate. When the determination becomes final, the board shall forthwith revoke the certificate.

SEC. 6. Section 13001.4 is added to said code, to read:

Employment
of sexual
psychopath

13001.4. Governing boards of school districts shall not employ or retain in employment any person in public school serv-

ice who has been determined to be a sexual psychopath under the provisions of Chapter 4, Part 1, Division 6 of the Welfare and Institutions Code or under similar provisions of law of any other state. If, however, such determination is reversed and the person is determined not to be a sexual psychopath in a new proceeding or the proceeding to determine whether he is a sexual psychopath is dismissed, this section does not prohibit his employment thereafter.

SEC. 7. Section 14002.4 is added to said code, to read:

14002.4. No person shall be employed or retained in em- Same
ployment by a school district who has been determined to be a sexual psychopath under the provisions of Chapter 4, Part 1, Division 6 of the Welfare and Institutions Code or under similar provisions of law of any other state. If, however, such determination is reversed and the person is determined not to be a sexual psychopath in a new proceeding or the proceeding to determine whether he is a sexual psychopath is dismissed, this section does not prohibit his employment thereafter.

CHAPTER 875

An act to amend Sections 103.3 and 2007 of, and to add Section 2007.2 to, the Welfare and Institutions Code, relating to public assistance.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 103.3 of the Welfare and Institutions Code is amended to read:

103.3. The provisions of this code relative to public assist- Public
ance for which state grants-in-aid are made to the counties assistance
shall be administered fairly to the end that all persons who Adminis-
are eligible and apply for such public assistance shall receive tration of
the assistance to which they are entitled promptly, with due provisions
consideration for the needs of applicants and the safeguarding
of public funds.

(a) Any applicant for, or recipient or payee of, such public Report of
assistance shall be informed as to the provisions of eligibility material
and his responsibility for reporting facts material to a correct facts
determination of eligibility and grant. by appli-
cant, etc

(b) Any applicant for, or recipient or payee of, such public assistance shall be responsible for reporting accurately and completely within his competence those facts required of him pursuant to subdivision (a) and to report promptly any changes in those facts.

(c) Any person who makes full and complete disclosure of those facts as explained to him pursuant to subdivision (a) is entitled to rely upon the award of the board of supervisors as

being accurate, except that the county paying the aid shall be allowed a period of two months following the month of payment within which to adjust any errors or changes in amount of grant resulting from changes in income or need which occur too late to be reflected in the grant for the current month.

Overpay-
ments

(d) If any overpayment which results because of the failure to report facts in accordance with subdivision (b) is not adjusted within a period of two months following the month of overpayment, the person receiving the aid shall make restitution and all actions necessary to secure restitution may be brought against him.

If the recipient or family is currently eligible in accordance with law and the rules of the State Social Welfare Board, collection of overpayments shall not be made through discontinuance or reduction of aid beyond the grant adjustment period permitted by subsection (c) except where the recipient or family at the time of determination of the overpayment possessed liquid assets sufficient to support himself or his family at the rate of the grant during the period of reduction or discontinuance thereof.

Possession
of property
in excess
of amount
permitted

(e) If it is found that a recipient or a family was possessed of property in excess of the amount permitted by law, and it is established that the recipient or family received such aid in good faith, honestly believing eligibility was properly established, the amount collectible shall be limited to an amount equal to the market value of the excess property or the amount of aid granted during the period the excess property was held, whichever is the lesser.

SEC. 2. Section 2007 of said code is amended to read:

Obtaining
unentitled
aid

2007. Any person who, knowing he is not entitled thereto, obtains or attempts to obtain aid to which he is not entitled, or a larger amount than that to which he is legally entitled, or the payment of any forfeited installment grant, is guilty of a misdemeanor.

SEC. 3. Section 2007.2 is added to said code, to read:

Notice of
intention
to buy or
dispose of
applicant's
property

2007.2. Any person who, knowing that the owner of the property is an applicant, aids or abets in buying or in any way disposing of the property of an applicant shall give 15 days' notice of the intention to make the transfer, to the board of supervisors by serving upon the chairman of the board a declaration in writing setting forth the name of the owner of the property, the fact that he is an applicant, a description of the property sufficient to enable it to be identified with reasonable certainty, and the time and place where the contemplated transaction will be completed, and failure to give such notice shall constitute a misdemeanor.

CHAPTER 876

An act to repeal Article 11 of Chapter 1 of Division 5 of, and to amend Sections 2831, 2840, 2841, 2842, and 2843 of, the Elections Code, relating to county central committees in counties containing 20 or more assembly districts.

[Approved by Governor June 2, 1955. Filed with Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 11 of Chapter 1 of Division 5 of the Elections Code is repealed. Repeal

SEC. 2. Section 2831 of said code is amended to read:

2831. At every direct primary there shall be elected in each county a county central committee for each political party. The county central committee shall have charge of the party campaign under general direction of the state central committee or of the executive committee selected by the state central committee. County
central
committees

SEC. 3. Section 2840 of said code is amended to read:

2840. In each county and in each city and county, regardless of the number of assembly districts contained therein, the name of each candidate for member of a county central committee shall appear upon the ballot only upon the filing of a nomination paper pursuant to Articles 4 and 5 of this chapter signed in his behalf by the voters of the assembly or supervisorial district in which he is a candidate. Nomination
papers
required

SEC. 4. Section 2841 of said code is amended to read:

2841. In each county and in each city and county regardless of the number of assembly districts contained therein, the number of candidates for membership in a county central committee to which each party is entitled in each assembly or supervisorial district who receive the highest number of votes shall be declared elected; but a candidate for county committeeman shall not be declared elected unless he has received votes equal in number to the minimum of signatures to the nomination paper which would have been required to place his name on the direct primary ballot as a candidate for member of the county committee. Election

SEC. 5. Section 2842 of said code is amended to read:

2842. Every county central committee shall meet in the courthouse at its county seat, upon call which shall be given by the county clerk of said county and in quarters to be arranged or provided for by the county clerk of said county, on the second Tuesday in July following the direct primary, except that in any year in which a national political party shall have set the national convention of the party to include such date, the existing executive committee of the county central committee of that party shall set the date of the meeting, not to exceed 30 days after the date above specified. At such meeting such county central committee shall organize by selecting a chairman, a secretary, and such other officers and Meetings

committees as it deems necessary for carrying on the campaign of the party.

SEC. 6. Section 2843 of said code is amended to read :

Chairman

2843. In all counties the county clerk shall within 10 days after the county central committee meets as provided for in Section 2842 ascertain who is the newly elected chairman of each county central committee and shall mail a certificate to that effect to the Secretary of State.

CHAPTER 877

An act to amend Sections 8151, 8152, 8153, 8158, 8160, 8286, 8401, 8406, 8406.1, 8826, 9858, 11021, 11151, 11275, 11291, 11674, 11741, 13861, 18003, 18008, 18022, 18205, 18403, 18404, 19051, 19606.5, 19609, 19613, 19617, 20356, 20543, 21364, 21647, 22693, 22722, 22723, 22725, 23204, and 23208 of, to amend the headings of Article 1 of Chapter 1 and Article 1 of Chapter 7 of Division 9 of, to add Article 10 to Chapter 1 of Division 5 of, to add Section 11150 to, to repeal Sections 8154, 8154.1, 8253, 8254, 9618, 9646, 11656, 18053.5, 18055, 19620, and 21648 of, and to repeal Article 1.5 of Chapter 2 of Division 10 of, the Education Code, relating to the Public School System.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 8151 of the Education Code is amended to read:

School
holidays

8151. Except as otherwise provided the public schools shall continue in session or close on holidays as follows:

(a) The public schools shall close on Saturday, Sunday, January 1st, February 12th, February 22d, May 30th, July 4th, September 9th, November 11th, and December 25th.

(b) The Governor in appointing any other day for a public fast, thanksgiving, or holiday may provide whether the public schools shall close on the day. If the Governor does not provide whether the public schools shall close, they shall continue in session on all special or limited holidays appointed by the Governor, but shall close on all other days appointed by the Governor for a public fast, thanksgiving, or holiday.

(c) The public schools shall close on every day appointed by the President as a public fast, thanksgiving, or holiday, unless it is a special or limited holiday.

(d) The public schools shall continue in session on all legal holidays other than those designated by or pursuant to this section and shall hold proper exercises commemorating the day.

(e) When any of the holidays on which the schools would be closed fall on Sunday, the public schools shall close on the Monday following.

SEC. 1.5. Section 8152 of said code is amended to read:

8152. Notwithstanding any other provision of this article, the governing board of any school district may declare a holiday in the public schools under its jurisdiction when good reason exists.

Power of governing board

SEC. 2. Section 8153 of said code is amended to read:

8153. All public schools throughout the State shall, on the school day next preceding February 12th and February 22d, hold the customary exercises in memory of Abraham Lincoln and George Washington, respectively.

Lincoln's and Washington's birthdays

SEC. 3. Section 8158 of said code is amended to read:

8158. The governing board of any district maintaining a junior college may provide for the maintenance of junior college classes on Saturday.

Saturday classes Junior colleges

SEC. 4. Section 8160 of said code is amended to read:

8160. The governing board of any high school district may provide for the maintenance on Saturday of special day and evening classes in vocational training authorized and provided for by any program of national defense of the Federal Government, or any agency thereof, acting through the State Department of Education.

Saturday vocational training classes National defense

No apportionments from state funds based upon average daily attendance in such special day or evening classes, whether maintained on Saturday or other days, shall be made where the total cost of the classes is borne by the Federal Government, or any agency thereof.

SEC. 5. Section 8286 of said code is amended to read:

8286. Pupils, with the written consent of their parents or guardians, may be excused from school in order to participate in religious exercises or to receive moral and religious instruction at their respective places of worship or at other suitable place or places away from school property designated by the religious group, church, or denomination, which shall be in addition and supplementary to the instruction in manners and morals required elsewhere in this code. Such absence shall not be deemed absence in computing average daily attendance, if all of the following conditions are complied with:

Moral and religious instruction

(a) The governing board of the district of attendance, in its discretion, shall first adopt a resolution permitting pupils to be absent from school for such exercises or instruction.

(b) The governing board shall adopt regulations governing the attendance of pupils at such exercises or instruction and the reporting thereof.

(c) Each pupil so excused shall attend school at least the minimum school day for his grade for elementary schools, and as provided by the relevant provisions of the rules and regulations of the State Board of Education for secondary schools.

(d) No pupil shall be excused from school for such purpose on more than four days per school month.

It is hereby declared to be the intent of the Legislature that this section shall be permissive only.

SEC. 6. Section 8401 of said code is amended to read:

Establish-
ment, etc.,
of kinder-
gartens

8401. The governing board of any school district shall establish and maintain a kindergarten upon petition of the parents or guardians of 25 or more children who will be between the ages of four years and nine months and six years on the next September 1st following the signing of the petition, and who reside within the district.

The governing board of any school district may, with the approval of the county superintendent of schools and county board of education having jurisdiction over the district, establish and maintain a kindergarten.

SEC. 7. Section 8406 of said code is amended to read:

Discontin-
uance

8406. If the average daily attendance in any kindergarten in any school district is 10 or less for the school year, the governing body of the school district shall, at the close of the school year, either discontinue the kindergarten or combine the kindergarten with the first grade of an elementary school of the district. In the latter event, the attendance of the children enrolled in the kindergarten shall be counted as attendance upon a kindergarten.

SEC. 8. Section 8406.1 is amended to read:

Increase of
minimum age

8406.1. If the minimum age fixed by Section 8404 at which children may be admitted to kindergarten is increased, the provisions of Section 8406 shall not apply to any kindergarten the average daily attendance of which for the first school year in which such increase becomes effective is 10 or less, and the governing board of the district maintaining the kindergarten may, in its discretion, continue to maintain the kindergarten in the following school year, without combining it with the first grade.

SEC. 9. Section 8826 of said code is amended to read:

Financing of
four-year
colleges

8826. Four-year junior colleges shall be financed in the same manner and from the same funds as provided for the financing of two-year junior colleges. The provisions of Article 3 of Chapter 16 of Division 3 of this code relating to the Junior College Tuition Fund shall not be applicable in the case of pupils attending the eleventh and twelfth grades in any four-year junior college except in the case of pupils who reside in an elementary school district not situated in a high school district.

SEC. 10. Section 9858 of said code is amended to read:

"Vocational
rehabilita-
tion," "Vo-
cational re-
habilitation
services"

9858. "Vocational rehabilitation" and "vocational rehabilitation services" mean any service provided directly or through public or private instrumentalities to a disabled individual to compensate for his employment handicap and to enable him to engage in a remunerative occupation. Such services include, but are not limited to, medical and vocational diagnosis, vocational guidance, counseling and placement, rehabilitation training, physical restoration, transportation, occupational and business licenses, equipment, initial stocks and supplies, including livestock, maintenance, and instructional supplies and equipment which the department may

permit to be retained by any trainee to whom furnished if essential to permit him to enter upon and follow an occupation.

SEC. 11. Article 10 is added to Chapter 1 of Division 5 of said code, to read:

Article 10. Instruction Relating to Manners, Morals,
Alcohol, and Narcotics

10191. Instruction shall be given in all grades of school and in all classes during the entire school course, in manners and morals. Instruction upon the nature of alcohol and narcotics and their effects upon the human system as determined by science shall be included in the curriculum of all elementary and secondary schools. The governing board of the district shall adopt regulations specifying the grade or grades and the course or courses in which such instruction with respect to alcohol and narcotics shall be included. Manners and morals

10192. All persons responsible for the preparation or enforcement of courses of study shall provide for instruction on the subjects of alcohol and narcotics. Alcohol and narcotics

SEC. 12. Section 11021 of said code is amended to read:

11021. Any principal, teacher, employee, or school officer of any elementary or secondary school who refuses to use the textbooks prescribed by the proper authority for use in the elementary or secondary schools or classes under his charge, or who requires any pupil to purchase any supplementary book or books for the pupil's use in the schools, is guilty of a misdemeanor, and punishable by a fine of not more than one hundred dollars (\$100). Refusal to use prescribed books

SEC. 13. Section 11150 is added to said code, to read:

11150. The term "elementary schools" as used in this chapter includes all public schools, except junior high schools, in which instruction is given in the first to the eighth grades, inclusive, or in any one or more of such grades. "Elementary schools"

SEC. 14. Section 11151 of said code is amended to read:

11151. The State Board of Education shall adopt and provide one or more basic textbooks for use in the elementary schools of the State in each of the subjects prescribed for such schools by Section 10302 of this code, except in art and in morals and manners. The board may adopt a single textbook covering more than one of these subjects. The board may also adopt and provide other textbooks, supplementary books, and teachers' manuals for use in the elementary schools of the State. The board may also adopt and provide teachers' manuals for use in the kindergarten schools of the State. The board may cause such textbooks, supplementary books, and teachers' manuals to be printed by the State Department of Finance. Textbooks

The State Board of Education shall make no charge to either school districts or pupils for any textbooks, supplementary books, or teachers' manuals provided pursuant to this section.

Nothing in this section shall be construed as prohibiting the governing board of any school district, or any county library from ordering and purchasing such supplementary textbooks as are required.

SEC. 16. Section 11275 of said code is amended to read:

Refusal,
etc., to use
textbooks

11275. Any city, county, or city and county superintendent of schools, or any governing board that refuses or neglects to use any state textbook at the time required by this article is guilty of a misdemeanor and subject to a fine not exceeding one hundred dollars (\$100) for each offense.

SEC. 17. Section 11291 of said code is amended to read:

Distribution
of textbooks

11291. The State Board of Education shall provide for the distribution of basic textbooks in such manner as to provide each pupil enrolled in each grade of each public elementary school with one copy of each basic textbook adopted for use in such grade during the period of the school year the textbook is in actual use in such school; provided, however, that school districts may order, in lieu thereof, basic textbooks adopted for lower grades or higher grades for use by those pupils for whom such textbooks would be more appropriate. The board shall provide for the distribution of other textbooks, supplementary textbooks, and teachers' manuals in such manner as it may determine. No charge shall be made by the board to any pupil or any school district for any book distributed by it pursuant to this section.

SEC. 18. Section 11674 of said code is amended to read:

Sale of used
books

11674. The governing board of a high school district may at the end of any school term sell textbooks owned by the district to pupils of the district at prices which shall not exceed the actual value of the textbooks. The governing board shall not require pupils of the district to purchase textbooks offered for sale by the board.

The proceeds of the sales shall be placed in the county treasury to the credit of the general fund of the school district.

SEC. 19. Section 11741 of said code is amended to read:

Notice of
listing

11741. The Department of Education shall provide each publisher with a certificate for each book officially listed and shall from time to time notify county superintendents of schools, city superintendents of schools, and high school principals, which books have been officially listed and the maximum prices at which the books may be purchased.

SEC. 20. Section 13861 of said code is amended to read:

Method of
payment

13861. The governing board of each school district when drawing an order for the salary payment due to employees of the district, shall without charge reduce the order by the amount which it has been requested in a revocable written authorization by the employee to deduct for any or all of the following purposes: paying premiums on any policy or certificate of group life insurance for the benefit of the employee or for group disability insurance, or both, for the benefit of the employee or his dependents issued by an admitted insurer on a form of policy or certificate approved by the Insurance Com-

missioner, or paying rates, dues, fees, or other periodic charges on any hospital service contract for the benefit of the employee, or his dependents, issued by a nonprofit hospital service corporation on a form approved by the Insurance Commissioner pursuant to the provisions of Chapter 11A of Part 2 of Division 2 of the Insurance Code. The governing board of the district shall each month draw its order upon the funds of the district in favor of the insurer which has issued the policies or certificates or in favor of the nonprofit hospital service corporation which has issued hospital service contracts, for an amount equal to the total of the respective deductions therefor made during the month.

SEC. 21. The heading of Article 1 of Chapter 1 of Division 9 of said code is amended to read:

Article 1. Powers and Duties of Governing Boards
of Districts

SEC. 22. Section 18003 of said code is amended to read:

18003. In districts situated within or partly within cities of the first class or of the first and one-half class any board of education may establish a fund in the county treasury for the purpose of covering fire losses to school property in lieu of carrying fire insurance in admitted insurers as provided in Section 18002 of this code. In such fund shall be placed such sums, to be provided in the budget of the district, as will create an amount which, together with investments made from such fund, will be sufficient in the judgment of the board of education upon the advice of competent actuaries to protect such board of education against losses by fire on all or any part of the school property within its jurisdiction. Nothing contained herein shall be construed as prohibiting the board of education from providing protection against fire losses partly by means of such fund and partly by means of fire insurance written by admitted insurers as provided in Section 18002 of this code.

Fire loss
fund

Notwithstanding any other provision of law, such fund shall be considered as separate and apart from all other funds of the district and the balance therein shall not be considered as being part of the working cash of the district in compiling annual budgets or fixing annual tax rates.

Notwithstanding any other provision of law, warrants shall not be drawn on or transfers made from the fund so created except to reimburse the district for losses by fire and then only after resolution duly adopted by the board of education based upon findings by competent appraisers.

The cash placed in such fund may be invested and reinvested by the county treasurer with the advice and consent of the board of education in securities which are legal investments for surplus county funds in this State. The income derived from such investments together with interest earned on uninvested funds shall be considered revenue of and be deposited in such fund.

Reports

The county treasurer shall make quarterly reports to the board of education as to the condition of the fund, using as a basis for such report the cost or market value, whichever may be the lower, of the securities held as investments plus the cash in such fund.

Housing
employees

SEC. 23. Section 18008 of said code is amended to read: 18008. The governing board of any school district may construct, lease, or purchase buildings for housing employees of the district, and may equip and maintain the buildings. The employees of the district shall pay rent for the use of the buildings, or the rental value of the buildings used by them shall be taken into account in fixing their compensation.

Grounds

SEC. 24. Section 18022 of said code is amended to read: 18022. The county superintendent of schools may also require the governing board, where practicable, to adorn the school grounds with fruit and ornamental trees and shrubbery. If the governing board neglects to do so, he may cause it to be done and pay for it on his requisition upon the county auditor, who shall draw his warrant payable out of any money to the credit of the district.

Examination
of buildings

SEC. 25. Section 18205 of said code is amended to read: 18205. Upon written request by the governing board of any school district or upon written request by at least 10 percent of the parents having children enrolled as pupils in any school district as certified to by the county superintendent of schools, the Division of Architecture shall make an examination and report on the structural condition of any public school building of the district, subject to the payment by the governing board of the actual expenses incurred by the Division of Architecture. Payment of the expenses may be waived by the Division of Architecture on recommendation of the State Superintendent of Public Instruction when it appears to him that the school district in which the public school building is located cannot afford to pay them.

Report of
planning
commission

SEC. 26. Section 18403 of said code is amended to read: 18403. To promote the safety of pupils and comprehensive community planning the governing board of each school district before acquiring title to property for a new school site or for an addition to a present school site, shall give the planning commission having jurisdiction notice in writing of the proposed acquisition. The planning commission shall investigate the proposed site and within 30 days after receipt of the notice shall submit to the governing board a written report of the investigation and its recommendations concerning acquisition of the site.

The governing board shall not acquire title to the property until the report of the planning commission has been received. If the report does not favor the acquisition of the property for a school site, or for an addition to a present school site, the governing board of the school district shall not acquire title to the property until 30 days after the commission's report is received.

SEC. 27. Section 18404 of said code is amended to read:

18404. To promote the safety of pupils, comprehensive community planning, and greater educational usefulness of school sites the governing board of each school district, except districts governed by a city board of education, before acquiring title to property for a new school site or for an addition to a present school site, shall give the State Department of Education notice in writing of the proposed acquisition. The State Department of Education shall investigate the proposed site and within 30 days after receipt of the notice shall submit to the governing board a written report and its recommendations concerning acquisition of the site. Report of
Department
of Education

The governing board shall not acquire title to the property until the report of the State Department of Education has been received. If the report does not favor the acquisition of the property for a school site or for an addition to a present school site, the governing board shall not acquire title to the property until 30 days after the department's report is received.

SEC. 28. The heading of Article 1 of Chapter 7 of Division 9 of said code is amended to read:

Article 1. Establishment, Maintenance and Use

SEC. 29. Section 19051 of said code is amended to read:

19051. Libraries may be established and maintained under the control of the governing board of any school district. School
libraries

SEC. 30. Section 19606.5 of said code is amended to read:

19606.5. Children shall be accommodated at such child care centers only during the hours in which the person or persons having custody of such children are at work, or unable to care for such children for any reason connected with such work, or unable to care for such children for any reason specified in Section 19601.5. Child care
centers
Hours

SEC. 31. Section 19609 of said code is amended to read:

19609. Said governing board may adopt such reasonable rules and regulations governing the child care center or centers maintained by it as are not in conflict with law or the standards and regulations established for child care centers by the Superintendent of Public Instruction. The rules and regulations adopted by the governing board may include, among others, rules and regulations relating to the admission of children to, and their exclusion from, such center or centers. Rules

SEC. 32. Section 19613 of said code is amended to read:

19613. The State Department of Education is hereby authorized to accept funds from the Federal Government and to apportion them to the governing boards of such school districts as conduct child care centers. Such boards are hereby authorized to accept such funds or funds from any other source for any of the purposes of this chapter and all such funds may be accepted subject to such conditions as will further the purposes of this chapter. Acceptance
of Federal
funds

SEC. 33. Section 19617 of said code is amended to read :

Limitation
on additional
centers

19617. No new child care center shall be established unless specifically authorized by the Department of Education after it has surveyed the financial needs of the existing child care centers and finds that the establishment of the new child care center will not financially jeopardize or otherwise curtail the operations of the existing child care centers.

SEC. 35. Section 20356 of said code is amended to read :

Student
housing
facilities
Rents, etc.

20356. The Director of Education, with the approval of the Director of Finance, shall fix the rents, charges, and fees to be required of students utilizing student housing facilities operated by a state college, but such rents, charges, and fees shall be fixed to yield not less than the annual revenue required to meet annual operating and maintenance expenses, including repairs and the replacement of equipment.

Charge
auxiliary
enterprise
fund

All of such rents, charges, and fees collected by any state college shall be paid into a working capital revolving fund in the State Treasury, to be designated the College Auxiliary Enterprise Fund, which fund is hereby created.

Appro-
priation

All money in the College Auxiliary Enterprise Fund is hereby appropriated to the department for the maintenance, repair, and operation of student housing facilities established under the provisions of this section and for the construction, improvement, and equipment of such student housing facilities pursuant to the provisions of this section, and for the payment of refunds of rents, charges, and fees to any person entitled thereto, as determined by the department in accordance with law.

SEC. 36. Section 20543 of said code is amended to read :

Powers of
State Board
of Education

20543. The board, for the purposes of this article, has power and is hereby authorized, in addition to and amplification of all other powers conferred upon said board by the Constitution of the State of California or by any statute of the State of California:

(a) To acquire subject to the Property Acquisition Law, Part 11 of Division 3 of Title 2 of the Government Code, by grant, purchase, gift, devise, lease, or by the exercise of the right of eminent domain, and to hold and use any real or personal property necessary or convenient or useful for the carrying on of any of its powers pursuant to the provisions of this article.

(b) To construct, operate and control any project.

(c) To fix rates, rents or other charges for the use of any project acquired, constructed, equipped, furnished, operated or maintained by the board, or for services rendered in connection therewith, and to alter, change or modify the same at its pleasure, subject to any contractual obligation which may be entered into by the board with respect to the fixing of such rates, rents or charges.

(d) To enter into covenants to increase rates or charges from time to time as may be necessary pursuant to any such

contract or agreement with the holders of any bonds of the board.

(e) At any time and from time to time, with the approval of the State Board of Control, to issue revenue bonds in order to raise funds for the purpose of establishing any project or of acquiring lands for any project, or of acquiring, constructing, improving, equipping or furnishing any project, or of refinancing any project, or for any combination of such purposes, which bonds may be secured as hereinafter provided.

(f) To exercise, subject to the Property Acquisition Law, Part 11 of Division 3 of Title 2 of the Government Code, the right of eminent domain for the condemnation of private property or any right or interest therein.

(g) To adopt such rules and regulations as may be necessary to enable the board to exercise the powers and to perform the duties conferred or imposed upon the board by this article.

(h) Nothing contained in this section or elsewhere in this article shall be construed directly or by implication to be in anywise in derogation of or in limitation of powers conferred upon or existing in the board by virtue of provisions of the Constitution or statutes of this State.

SEC. 37. Section 21364 of said code is amended to read:

21364. The Director of Education shall determine, subject to the State Civil Service Act, the number and qualifications of all personnel of the schools, appoint the same, and fix their compensation. Teachers and instructors shall be selected from the standpoint of efficiency in the particular line or subject to be covered by them.

California
academies.
Personnel

The instructors and teachers of vocational education and academic subjects shall possess the same qualifications as are now, or may hereafter be, required by any law of this State for instructors and teachers of vocational and academic subjects in the public schools of the State and they shall be certificated as now or hereafter may be required by the provisions of the Education Code.

Instructors
and teachers

The rules and regulations adopted by the Director of Education as to subjects to be taught and the qualifications of teachers and instructors for all grades and departments in the academic field shall conform as nearly as practicable to the provisions of the Education Code governing the public schools of the State as to similar matters so as to provide the said California academies with academic departments and to give to the students thereof educational advantages similar in character to those of the public schools of the State.

Rules and
regulations

The Director of Education shall engage physicians and surgeons for the academies, including not less than one for each school who specializes in psychiatric cases, at compensation comparable to that received by physicians and surgeons in other state institutions.

Physicians,
etc

The religious faith of any child shall be respected and upheld in the administration of the academies. No child shall be required to have medical or psychiatric treatment if his par-

Religious
faith

ent, guardian, or person standing in loco parentis, in good faith is providing treatment in accordance with the religious tenets of any church, as authorized under Chapter 5 of Division 2 of the Business and Professions Code of California.

Retirement
system

Teachers and instructors in the California academies shall be entitled to all the rights and benefits of the State Teachers' Retirement System.

SEC. 38. Section 21647 of said code is amended to read:

Transporta-
tion district
tax levy

21647. The board of supervisors of the county in which the district is situated shall, at the time of levying county taxes, levy a tax to raise the amount reported to it by the board of directors. The board of supervisors shall determine the rate of the tax by deducting 10 percent for anticipated delinquencies from the total assessed value of the taxable property of the district within the county as it appears on the assessment roll of the county, and then dividing the sum reported to it by the board of directors by the remainder of the total assessed value, but the tax levied shall not exceed five cents (\$.05) on each one hundred dollars (\$100) of taxable property of the district in the county.

SEC. 39. Section 22693 of said code is amended to read:

Library
districts:
Notices and
elections

22693. Articles 1 and 6 of Chapter 1 of Title 6 of the Government Code relating to notices and elections shall govern and control this chapter.

SEC. 40. Section 22722 of said code is amended to read:

Bond
election

22722. The bond election shall be called and conducted and the results thereof canvassed, returned, and declared in the manner provided in Article 6 of Chapter 1 of Title 6 of the Government Code.

SEC. 41. Section 22723 of said code is amended to read:

Bond data

22723. The board of trustees shall set forth in the resolution calling for a bond election the amount and denomination of the bonds, the rate of interest, the number of years that all or any part of the bonds are to run, and the information required in Section 58170 of the Government Code.

SEC. 42. Section 22725 of said code is amended to read:

Favorable
vote

22725. The board of library trustees shall meet on the seventh day after the election, at 8 o'clock p.m., and canvass the returns. If it appears that two-thirds of the votes cast at the election were cast in favor of issuing the bonds, the board shall enter the fact upon its minutes and shall certify all the proceedings to the supervising board of supervisors. Thereupon the board of supervisors shall issue the bonds of the district, in the number and amount provided in the proceedings, and the district shall be named on the bonds. The bonds shall be paid out of the building fund of the district.

The money for the redemption of the bonds and the payment of interest thereon shall be raised by taxation upon the taxable property in the district.

SEC. 43. Section 23204 of said code is amended to read:

Nonprofit
library
corporations
powers

23204. Each corporation incorporated under this chapter shall have the powers granted by the provisions of the Cor-

porations Code and other laws of the State relating to private corporations, which are not inconsistent with those granted by this chapter.

SEC. 44. Section 23208 of said code is amended to read:

23208 No such corporation shall sell, or offer for sale, ^{Securities} negotiate for the sale of, or take subscriptions for any security of its own issue until it has first applied for and secured from the Commissioner of Corporations a permit authorizing it so to do, and has complied with all the terms and conditions of the Corporate Securities Law, Division 1 of Title 4 of the Corporations Code. All provisions of the Corporate Securities Law are applicable to and binding upon corporations incorporated under this chapter.

SEC. 45. Sections 8154, 8154.1, 8253, 8254, 9618, 9646, ^{Repeal} 11656, 18053.5, 18055, 19620, and 21648 of said code are repealed.

SEC. 46. Article 1.5 of Chapter 2 of Division 10 of said ^{Repeal} code is repealed.

CHAPTER 878

An act to amend Section 2206 of the Health and Safety Code, relating to mosquito abatement districts.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2206 of the Health and Safety Code is amended to read:

2206. No district formed or proposed to be formed under this chapter shall be subject to any of the provisions of the District Investigation Act of 1933. This section shall remain in effect until the ninety-first day after final adjournment of the 1957 Regular Session of the Legislature and thereafter shall be of no force or effect.

CHAPTER 879

An act to amend Sections 481 and 482 of the Vehicle Code, relating to the duty of a driver to stop in the event of an accident.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 481 of the Vehicle Code is amended to read:

Accidents
involving
property
damage

481. Accidents Involving Property Damage. (a) The driver of any vehicle involved in an accident resulting in damage to property shall immediately stop such vehicle at the scene of such accident and shall fulfill the requirements of Section 482(b) hereof and any person failing to stop or to comply with said requirements under such circumstances is guilty of a misdemeanor and upon conviction thereof shall be punished by imprisonment in the county jail for not to exceed six months or by a fine of not to exceed five hundred dollars (\$500) or by both.

(b) This section shall have no application where the driver of a vehicle collides with any vehicle which is unattended.

SEC. 2. Section 482 of said code is amended to read:

Duty to give
information
and render
aid

482. Duty to Give Information and Render Aid. (a) The driver of any vehicle involved in an accident resulting in injury to or death of any person shall also give his name, address and the registration number of the vehicle he is driving, the name of the owner, and shall upon request and if available exhibit his operator's or chauffeur's license to the person struck or the driver or occupants of any vehicle collided with or shall give such information and exhibit such license to any traffic or police officer at the scene of the accident and shall render to any person injured in such accident reasonable assistance, including the carrying or the making arrangements for the carrying of such person to a physician, surgeon or hospital for medical or surgical treatment if it is apparent that such treatment is necessary or if such carrying is requested by the injured person. In the event of death of any person resulting from an accident, the driver of any vehicle involved must, after fulfilling the requirements of Section 480 of this code and the foregoing requirements of this subsection, and if there be no traffic or police officer at the scene of the accident to whom to give the information required by this subsection, shall, without delay, report such accident to the nearest office of the California Highway Patrol or office of a duly authorized police authority and submit with such report the information required by this subsection.

(b) The driver of any vehicle involved in an accident resulting in damage to property shall take reasonable steps to locate and notify the owner or person in charge of such property of such fact and of his name and address and of the registration number of the vehicle he is driving and shall upon request and if available exhibit his operator's or chauffeur's license, except that when the driver of any vehicle collides with any vehicle which is unattended the provisions of Section 483 hereof shall apply.

(c) If the driver does not have his operator's or chauffeur's license in his possession, he shall exhibit other valid evidences of identification to the occupants of a vehicle collided with.

CHAPTER 880

An act to add Sections 585.6, 585.7 and 585.8 to and to amend Sections 585 and 585.5 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 2, 1955 Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 585 of the Vehicle Code is amended to read:

585. When Officers Authorized to Remove Vehicles From Highways. (a) It is unlawful for any peace officer or any unauthorized person to remove any unattended vehicle from a highway to a garage or from said highway to any other place, except as provided in this code.

Removal
of vehicles
from
highways

(b) Any member of the California Highway Patrol or any regularly employed and salaried deputy of the sheriff's office of a county in which a vehicle is located or any regularly employed and salaried officer of a police department in a city in which a vehicle is located is hereby authorized to remove a vehicle from a highway to the nearest garage or other place of safety or to a garage designated or maintained by the governmental agency of which the officer is a member only under the circumstances hereinafter enumerated.

(1) When any vehicle is left unattended upon any bridge, viaduct or causeway or in any tube or tunnel where such vehicle constitutes an obstruction to traffic.

(2) When any vehicle is illegally parked so as to block the entrance to a private driveway and it is impracticable to move such vehicle from in front of the driveway to another point on the highway.

(3) When any vehicle is found upon a highway and report has previously been made that such vehicle has been stolen or complaint has been filed and a warrant thereon issued charging that such vehicle has been embezzled.

(4) When a vehicle upon a highway is so disabled as to constitute an obstruction to traffic and the person or persons in charge of the vehicle are by reason of physical injuries incapacitated to such an extent as to be unable to provide for its custody or removal.

(5) When an officer arrests any person driving or in control of a vehicle for an alleged offense and such officer is by this code or other law required to take the person arrested immediately before a magistrate.

(6) When a vehicle is illegally parked on a highway in violation of local ordinance forbidding standing or parking and the use of a highway or a portion thereof is necessary for repair, construction, the installation of underground utilities or where the use of the highway or any portion thereof is authorized by local authorities for a purpose other than the normal flow of traffic; or for the movement of equipment, arti-

cles or structures of unusual size; and the parking of such vehicle would prohibit or interfere with such use or movement and signs are erected or placed at least 24 hours prior to the removal by local authorities pursuant to ordinance.

Notice to
owner

(c) Whenever an officer removes a vehicle from a highway as authorized in this section and the officer knows or is able to ascertain from the registration records in the vehicle or from the registration records of the Department of Motor Vehicles the name and address of the owner thereof, such officer shall immediately give or cause to be given notice in writing to such owner of the fact of such removal, the grounds thereof and of the place to which such vehicle has been removed. In the event any such vehicle is stored in a public garage a copy of such notice shall be given to the proprietor of such garage.

Owner
unknown
Report

(d) Whenever an officer removing a vehicle from a highway under this section does not know and is not able to ascertain the name of the owner or for any other reason is unable to give the notice to the owner as hereinbefore provided and in the event the vehicle is not returned to the owner within a period of 120 hours, then and in that event the officer shall immediately send or cause to be sent written report of such removal by mail to the department at Sacramento and shall file a copy of such notice with the proprietor of any public garage in which the vehicle may be stored. Such report shall be made on a form furnished by the department and shall include a complete description of the vehicle, the date, time and place from which removed, the grounds for such removal and the name of the garage or place where the vehicle is stored.

Notice by
department

(e) The department upon receiving a notice as hereinbefore provided of the removal of any vehicle from a highway shall notify the registered and legal owner in writing at the addresses of such persons as shown by the records of the Department of Motor Vehicles, if the vehicle is registered in this State, of the removal of such vehicle, and give the name of the police officer reporting such removal, the grounds upon which the removal was authorized and the location of the vehicle. If the vehicle is not registered in this State, the department shall make reasonable effort to notify the legal or registered owner of the removal and location of the vehicle.

Garage
keeper's
lien

(f) Whenever any vehicle has been removed to a garage under the provisions of this section and the keeper of such garage has received the notice or notices from the arresting officer as provided herein, said keeper shall have a lien dependent upon possession for his compensation for towage and for caring for and keeping safe such vehicle for a period not exceeding 90 days and, if said vehicle is not recovered by the owner within said 90 days or the owner is unknown, the keeper of said garage may satisfy his lien in the manner and after giving the notices required in Sections 427 and 428 of this code. Notwithstanding the provision of this subdivision, if the vehicle is appraised at a value not exceeding seventy-five dol-

lars (\$75) by a person authorized to make such appraisal under Section 585.8, the keeper of the garage may, if the vehicle is not recovered by the owner within 40 days or the owner is unknown, satisfy his lien as provided in Section 428.5 of this code.

SEC. 2. Section 585.5 of said code is amended to read:

585.5. When Officers Authorized to Remove Vehicles From Private Property. (a) Any member of the California Highway Patrol or any regularly employed and salaried deputy of the sheriff's office of a county in which a vehicle is located or any regularly employed and salaried officer of a police department in a city in which a vehicle is located is hereby authorized to remove a vehicle from private property to the nearest garage or other place of safety or to a garage designated or maintained by the governmental agency of which the officer is a member when any vehicle is found and report has previously been made that such vehicle has been stolen or complaint has been filed and a warrant thereon issued charging that such vehicle has been embezzled.

Removal
of vehicles
from private
property

(b) The provisions of subsections (c), (d), (e) and (f) of Section 585 shall apply in the case of vehicles removed under this section.

SEC. 3. Section 585.6 is added to said code, to read:

585.6. Unlawful to Abandon Vehicle. (a) No person shall abandon a vehicle upon any highway.

Unlawful to
abandon
vehicle

(b) No person shall abandon a vehicle upon public or private property without the express or implied consent of the owner or person in lawful possession or control of such property.

SEC. 4. Section 585.7 is added to said code, to read:

585.7. Removal of Abandoned Vehicles. (a) Any member of the California Highway Patrol or any regularly employed and salaried deputy of the sheriff's office of a county in which a vehicle is located or any regularly employed and salaried officer of a police department in a city in which a vehicle is located who has reasonable grounds to believe that such vehicle has been abandoned, is hereby authorized to remove such vehicle from a highway or from public or private property to the nearest garage or other place of safety, or to a garage designated or maintained by the governmental agency of which the officer is a member.

Removal of
abandoned
vehicles

(b) Either before or after removal of said vehicle, the public agency employing such officer shall cause an appraisal to be made of any vehicle which reasonably appears to have been abandoned. Such appraisal shall be made by a person authorized to make such appraisal under Section 585.8.

Appraisal

(c) If the vehicle is appraised at a value exceeding seventy-five dollars (\$75), the provisions of subdivisions (e), (d), (e) and (f) of Section 585 shall apply.

When notice
to owner
required

(d) If the vehicle is appraised at a value not exceeding seventy-five dollars (\$75), and a lienholder does not within 15 days following such appraisal indicate his intention to exercise any right he may have to sell the vehicle at public sale under

Junking or
dismantling
vehicle
worth \$75
or less

Section 428.5, the officer removing said vehicle shall file with the Department of Motor Vehicles in Sacramento a certificate which shall describe the vehicle and shall state the following:

(1) That the vehicle has been appraised at a value not exceeding seventy-five dollars (\$75).

(2) That such vehicle will be junked or dismantled.

(3) That the officer removing such vehicle has been unable, after diligent inquiry, to locate any person having any interest in said vehicle, or, that having located a person having an interest in the vehicle, such person has subscribed to an affidavit disclaiming any future interest in the vehicle. In such latter event, such affidavit shall accompany the certificate herein required.

Upon completion and forwarding of such certificate or certificate and affidavit to the Department of Motor Vehicles, such officer, or the public agency employing him, may authorize that said abandoned vehicle be disposed of to a licensed automobile wrecker without the necessity of public sale and free of any lien for fees and penalties due and payable to the Department of Motor Vehicles. Such officer or public agency shall execute and deliver a bill of sale, together with a copy of the documents filed with the Department of Motor Vehicles, to the person receiving said vehicle.

In no event shall such documents be forwarded to the Department of Motor Vehicles nor said vehicle be disposed of until the expiration of 15 days from the day such vehicle was removed from a highway or public or private property.

Disposition
of proceeds

(e) In the event a vehicle as described in subdivision (d) is sold by the public agency removing the same, the proceeds of such sale shall be disposed of in the following manner:

(1) First, to pay any cost of towing and storage involved in removal of the vehicle.

(2) The balance shall be forwarded to the Department of Motor Vehicles. Said department may recover therefrom any fees and penalties due and payable to the Department of Motor Vehicles in respect to such vehicle.

(3) Any balance then remaining shall be paid by the Department of Motor Vehicles first to any legal owner, and second to any registered owner, as their interests may appear upon the records of said department. If such payments cannot be made, the balance shall be deposited in the Motor Vehicle Fund.

SEC. 5. Section 585.8 is added to said code, to read:

Persons
authorized
to make
appraisals

585.8. Persons Authorized to Make Appraisals. (a) The following persons shall have the authority to make appraisals of the value of vehicles for purposes of this chapter, subject to the conditions stated in this section:

(1) Any member of the California Highway Patrol designated by the commissioner.

(2) Any regularly employed and salaried deputy sheriff designated by the sheriff of any county.

(3) Any regularly employed and salaried police officer designated by the chief of police of any city.

(4) Any officer or employee of the Department of Motor Vehicles designated by the director of said department.

(b) The commissioner or any sheriff or chief of police who designates a person authorized to make appraisals shall certify the name of every such person to the Department of Motor Vehicles in Sacramento.

CHAPTER 881

An act to add Section 24008 to the Government Code, relating to county fire wardens.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 24008 is added to the Government Code, to read:

24008. The board of supervisors may appoint a county fire warden and such assistant and deputy county fire wardens as it may consider necessary. The county fire warden shall aid in enforcing all laws and ordinances and any rules or regulations adopted by the State Board of Forestry and by the State Fire Marshal relating to fires or to fire prevention and protection. The county fire warden, and his deputies and assistants shall perform such duties relating to fires or to fire protection and prevention as are required by the board of supervisors. The county fire warden, and such assistant and deputy county fire wardens as may be designated by the county fire warden, have the powers of peace officers to make arrests without warrant for violation of any state, county, or federal fire laws, and are not liable to civil action for trespass committed in the discharge of their duties. In making any such arrests, the county fire warden, his assistants, and his deputies shall follow the procedure prescribed in Section 4012 of the Public Resources Code. The county fire warden, his assistants, and deputies shall serve at the pleasure of the board of supervisors and shall be paid such salaries and receive such reimbursement for mileage while traveling on official business as may be determined by the board.

Notwithstanding other provisions of this section to the contrary, if the board of supervisors of a county, in which a civil service system has been created for county officers and employees, determines that it is necessary to provide for the appointment of a county fire warden and assistant and deputy county fire wardens, such county fire warden and assistants and deputies shall be selected and appointed pursuant to the provisions relating to such civil service system and the persons so appointed shall be entitled to all of the rights and privileges, and subject to all of the provisions, provided by such system in the same manner and to the same extent as other county officers and employees included in such system. This

paragraph does not apply to any county in which the office of county fire warden, or assistant or deputy county fire warden is or has been excluded from the civil service system.

CHAPTER 882

An act to add Article 7 to Chapter 1, Part 2, Division 2, Title 4 of the Government Code, relating to the annexation of territory to cities.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 7, consisting of Sections 35450 to 35458, inclusive, is hereby added to Chapter 1 of Part 2 of Division 2, Title 4, of the Government Code, to read:

Article 7. Annexation of County Highways

Annexation
of unincor-
porated
territory
Highways

35450. The board of supervisors may effect the annexation to an adjacent city of unincorporated territory consisting solely of a highway or highways, or portions thereof, bounded on both sides by city boundaries, pursuant to the provisions of this article if the annexation of such highway or highways will not result in the creation of an island of unincorporated territory completely surrounded by incorporated territory.

Resolution
of intention

35451. Proceedings are initiated by the board of supervisors of the county in which the highway or highways or portions thereof are located, passing a resolution of intention to cause the annexation thereof to one of the abutting cities. Such resolution shall contain a description of the territory proposed to be annexed and indicate the city to which it is proposed to be annexed.

Notice

35452. The clerk of the board of supervisors shall cause notice of the proposed annexation to be published once in a newspaper of general circulation in the county. The notice shall contain a general description of the land sought to be annexed, the city to which it is proposed to be annexed, and announce the time and place objections will be heard. The clerk shall mail a copy of such notice to the legislative bodies of all cities whose boundaries are contiguous with any of the area proposed to be annexed at least 10 days prior to the date set for hearing.

Protest

35453. Any taxpayer of the county or of the city to which it is proposed that the territory be annexed, as well as any city whose boundaries are contiguous to the territory proposed to be annexed, may object by filing a written protest with the board prior to the date set for the hearing.

Hearing

35454. At the time specified in the notice, or fixed by postponement, the board of supervisors shall hear and pass upon

the protests. The decision of the board of supervisors upon the protest is final.

35455. After hearing the protests, the board of supervisors shall vote upon the question of the annexation. A majority vote of the board is final upon the question. Vote of board

35456. If the board of supervisors approves the annexation of the territory to the city as proposed, the clerk of the board shall enter upon its minutes, certify, and transmit to the Secretary of State and to the annexing city's legislative body copies of the resolution approving the annexation and the date on which it was passed. Filing

35457. The documents shall be filed by the Secretary of State and from the date of filing thereof the annexation is complete and the annexed territory is a part of the annexing city for all purposes. Date of annexation

35458. The clerk of the board of supervisors shall file the affidavit of completion and the statement of boundary change required by Chapter 8, Part 1, Division 2, Title 5, of this code. Statement of boundary change

CHAPTER 883

An act to add Sections 35104.5 and 35302.5 to the Government Code, relating to the annexation to a city of governmentally owned property.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 35104.5 is added to the Government Code, to read:

35104.5. Real property belonging to a governmental agency may be annexed pursuant to this article.

SEC. 2. Section 35302.5 is added to said code, to read:

35302.5. Real property belonging to a governmental agency may be annexed pursuant to this article.

CHAPTER 884

An act to amend Sections 35105.5 and 35304.5 of the Government Code, relating to the annexation of territory by cities.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 35105.5 of the Government Code is amended to read:

35105.5. Notwithstanding the provisions of Section 35002.5, territory consisting of property abutting on a street, highway, or road, and such street, highway or road to the extent that it Property abutting on a street, etc

abuts such property together with any street, highway, or road which connects such territory to the city may be annexed to a city pursuant to this article; provided, that if any portion of such territory or street, highway, or road is situated within three miles of the boundaries of any other city the consent of the legislative body of such other city shall first be obtained.

For the purposes of this section, the "road strip" is the street, highway or road which connects territory, herein called the "property to be annexed," consisting of property abutting on a street, highway, or road and such street, highway, or road to the extent it abuts such property to the annexing city.

"Road
strip"

Territory described in the first paragraph shall not be annexed if the distance measured by the "road strip" is more than one-half mile from the point at which such "road strip" connects with the city boundary to the point nearest to the city boundary at which it connects with the "property to be annexed."

"Territory
first
annexed"

If territory described in the first paragraph of this section is annexed, herein called the "territory first annexed," a city shall not annex other territory consisting of property abutting on a street, highway, or road and such street, highway, or road to the extent that it abuts such property together with any street, highway, or road which connects such territory to the city if the point at which such "road strip" connects such city with such "property to be annexed" is a point located on any boundary of the "territory first annexed," unless the portion of the "territory first annexed" which constitutes the "road strip" of such territory is less than one-half mile, measured in the same manner as provided in the preceding paragraph, and is not more than one-half mile when added to that portion of the other territory proposed to be annexed which constitutes the "road strip" of such other territory.

Property
abutting on
a street,
etc.

SEC. 2. Section 35304.5 of said code is amended to read:

35304.5. Notwithstanding the provisions of Section 35002.5, territory consisting of property abutting on a street, highway, or road and such street, highway, or road to the extent that it abuts such property together with any street, highway, or road which connects such territory to the city may be annexed to a city pursuant to this article if the owner or owners of all such abutting property either petition for such annexation or file their consent to such annexation in writing with the governing body of the city; provided, that if any portion of such territory or street, highway or road is situated within three miles of the boundaries of any other city the consent of the legislative body of such other city shall first be obtained.

For the purposes of this section, the "road strip" is the street, highway or road which connects territory, herein called the "property to be annexed," consisting of property abutting on a street, highway, or road and such street, highway,

or road to the extent it abuts such property to the annexing city.

Territory described in the first paragraph shall not be annexed if the distance measured by the "road strip" is more than one-half mile from the point at which such "road strip" connects with the city boundary to the point nearest to the city boundary at which it connects with the "property to be annexed."

If territory described in this section is annexed, herein called the "territory first annexed," a city shall not annex other territory consisting of property abutting on a street, highway, or road and such street, highway, or road to the extent that it abuts such property together with any street, highway, or road which connects such territory to the city if the point at which such "road strip" connects such city with such "property to be annexed" is a point located on a boundary of the "territory first annexed," unless the portion of the "territory first annexed" which constitutes the "road strip" of such territory is less than one-half mile, measured in the same manner as provided in the preceding paragraph, and is not more than one-half mile when added to that portion of the other territory proposed to be annexed which constitutes the "road strip" of such other territory.

CHAPTER 885

An act to amend Section 117g of the Code of Civil Procedure, relating to small claims courts.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 117g of the Code of Civil Procedure is amended to read:

117g. No attorney at law or other person than the plaintiff and defendant shall take any part in the filing or the prosecution or defense of such litigation in the small claims court. The plaintiff and defendant shall have the right to offer evidence in their behalf by witnesses appearing at such hearing, or at any other time. The presence of the plaintiff or defendant, whether individual or corporate, at the hearing shall not be required to permit the proof of the items of an account but such proof shall be in accordance with the provisions of the Uniform Business Records as Evidence Act. The judge or justice may also informally make any investigation of the controversy between the parties either in or out of court and give judgment and make such orders as to time of payment or otherwise as may, by him, be deemed to be right and just. The provisions of Section 579 of the Code of Civil Procedure are hereby made applicable to small claims court actions.

CHAPTER 886

An act to amend Section 474 of the Code of Civil Procedure, relating to the pleading of fictitious names.

In effect
September
7, 1955

[Approved by Governor June 2, 1955 Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 474 of the Code of Civil Procedure is amended to read:

474. When the plaintiff is ignorant of the name of a defendant, he must state that fact in the complaint, or the affidavit if the action is commenced by affidavit, and such defendant may be designated in any pleading or proceeding by any name, and when his true name is discovered, the pleading or proceeding must be amended accordingly; provided, that no default or default judgment shall be entered against a defendant so designated, unless it appears that the copy of the summons or other process, or, if there be no summons or process, the copy of the first pleading or notice served upon such defendant bore on the face thereof a notice stating in substance: "To the person served: You are hereby served in the within action (or proceedings) as (or on behalf of) the person sued under the fictitious name of (designating it)." The certificate or affidavit of service must state the fictitious name under which such defendant was served and the fact that notice of identity was given by endorsement upon the document served as required by this section. The foregoing requirements for entry of a default or default judgment shall be applicable only as to fictitious names designated pursuant to this section and not in the event the plaintiff has sued the defendant by an erroneous name and shall not be applicable to entry of a default or default judgment based upon service, in the manner otherwise provided by law, of an amended pleading, process or notice designating defendant by his true name.

CHAPTER 887

An act to add Section 187 to the Vehicle Code, relating to car dealers and lending agencies.

In effect
September
7, 1955

[Approved by Governor June 2, 1955 Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 187 is added to the Vehicle Code, to read:

187. Notification of Insurance Coverage. Every dealer who, upon transferring by sale, lease, or otherwise, any new or used vehicle of a type subject to registration, requires the transferee to insure such vehicle, and every lending agency

which, as the holder of any security interest in any such vehicle, requires its obligor to insure such vehicle, shall, if the required insurance policy is obtained by the dealer or lending agency and such policy does not insure such transferee or obligor against damages resulting from the ownership or operation of such vehicle arising by reason of personal injury to or the death of any person, or from injury to property, notify the transferee or obligor of such fact in writing on a document other than the insurance policy, but such notice need not be given if such insurance is obtained by the dealer or lending agency because of the failure or refusal of such transferee or obligor to furnish such insurance or to renew any such insurance in accordance with the terms of the contract of sale, encumbrance or other loan agreement.

CHAPTER 888

An act to add Section 69902.5 to the Government Code, relating to the office of the jury commissioner.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 69902.5 is added to the Government Code, to read:

69902.5. Any county having a retirement system for its employees may include in it the jury commissioner, deputy jury commissioners, and other assistants, attaches and employees of the office of the jury commissioner of that county whose salaries are paid by the county. Where such action is taken by any county, the included jury commissioner, deputy jury commissioners, and other assistants, attaches and employees of the office of the jury commissioner shall be subject to all of the provisions of the local retirement system.

CHAPTER 889

An act to add Section 479 to the Vehicle Code, relating to pedestrian crosswalks near schools.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 479 is added to the Vehicle Code, to read:

479. Pedestrian Crosswalks Near Schools. Whenever a marked pedestrian crosswalk has been established in a roadway contiguous to a school building or the grounds thereof, such crosswalk shall be painted in yellow and there shall be painted in yellow on each side of the street in the lane or lanes

leading to such crosswalk the following words, "SLOW—SCHOOL—XING." A crosswalk shall not be painted yellow at any location other than as required in this section.

CHAPTER 890

An act to amend Section 13009 of the Education Code, relating to exchange certificated employees.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13009 of the Education Code is amended to read:

13009. The governing board of any school district, subject to the rules and regulations prescribed by the State Board of Education, and notwithstanding anything to the contrary in Article 2 of Chapter 2 of Part 7 of Division 2 of the Labor Code may enter into an agreement with the proper authorities of any foreign country, or of any state, territory, or possession of the United States, or other district within the State, for the exchange and employment of regularly credentialed employees and employees of public schools of any foreign country, state, territory, or possession, or other district within this State, of a grade corresponding to that in which the certificated employees of the district are employed. Any certificated person so employed as provided in this section shall be known as an "exchange employee." No exchange shall be made without the consent of the employee to be exchanged.

No person may be employed as an exchange employee by a school district in the State unless he holds the necessary valid credential or credentials issued by the State Board of Education authorizing him to serve as a teacher or administrator in the school district proposing to employ him for a period not to exceed one year, except that, by unanimous consent of the governing board, and of the certificated employees concerned, this period may be extended to two years. The State Board of Education may establish minimum standards for the credentials for exchange certificated employees.

CHAPTER 891

An act to add Section 9354.4 to, and to amend Sections 9355 and 9357.2 of, the Government Code, relating to the Legislators' Retirement System.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 9354.4 is added to the Government Code, to read:

9354.4. The Secretary of State, at the time of issuing a certificate of election to the office of Member of the Senate or of the Assembly shall include a notice notifying the member-elect of his right to elect membership in the Legislators' Retirement System.

Notice of
right to elect
membership
in system

SEC. 2. Section 9355 of said code is amended to read:

9355. Every legislator in office on the effective date of the Statutes of 1953 may file with the board at any time prior to January 1, 1954, a written election to become a member of this system. Every legislator elected thereafter may file such an election within 90 days after the commencement of the first term of office for which he is elected. Upon the filing of the election he becomes a member of this system on the first day of the month following the filing of the election.

Written
election to
become a
member

All elections heretofore filed by the board, or offered to the board for filing, and every written statement to the board of a legislator by which he has indicated his intention to become a member of this system, whether filed by the board or refused filing, is hereby validated and shall be deemed a full compliance with this section.

Every legislator in office on the effective date of the Statutes of 1955 who has not heretofore elected to become a member, may at any time within 90 days after such date, file with the board a written election to become a member of the system.

SEC. 3. Section 9357.2 of said code is amended to read:

9357.2. Any member who rendered service prior to the date he became a member may elect, at any time prior to retirement, to contribute to the Legislators' Retirement Fund for each year or fraction thereof for which he desires to reserve credit for service, four per cent (4%) of the compensation received by him in respect to such service.

Contribu-
tions to
receive
credit for
prior service

Such contributions may be paid by lump sum payment or by installment payments over a period not in excess of the length of time for which the member has elected to receive credit for such prior service, at times and in a manner fixed by the board. No member shall receive credit for any service for which he has not contributed as required by this chapter.

CHAPTER 892

An act to amend Section 3088 of the Welfare and Institutions Code, relating to aid to the blind, and introducing a responsibility of relatives scale directly into this part of the code.

[Approved by Governor June 2, 1955 Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3088 of the Welfare and Institutions Code is amended to read:

3088. The board of supervisors or an agent designated by the board shall determine if the applicant or recipient of aid

Determina-
tion of
existence
of relatives
liable for
support

has within this State a spouse, parent, or adult child responsible to contribute to the support of the applicant or recipient of aid pursuant to the relatives' contribution scale of this section. A form shall be sent to the responsible relative requiring the information essential to a determination of the relative's liability to support under said scale.

Recovery of
aid from
recipient's
kindred

If any applicant for or recipient receiving aid under provisions of this chapter has residing within the State a spouse, parent, or adult child, pecuniarily able to support him, upon the failure of such kindred to perform their duty to support the blind person the board of supervisors may request the district attorney or other civil legal officer of the county to proceed against the kindred in the order of their responsibility for support.

Upon such request the district attorney, or other civil legal officer of the county granting aid may, on behalf of the county, maintain an action in the superior court of the county granting such aid, against such relatives, in the order named: (1) to recover for the county such portion of the aid granted as the courts find such relative or relatives pecuniarily able to pay and (2) to secure an order requiring the payment to the county of any sums which may become due in the future for which the relative may be liable. The receipt of aid by the applicant under the provisions of this chapter, however, shall not be contingent upon such recovery or such order. The sums so recovered shall be credited by the county in its settlement with the State.

Determina-
tion of
ability to
support ap-
plicant, etc.

The board of supervisors directly or through an authorized agent shall determine the ability of responsible relatives to contribute to the support of applicant and designate the amount of aid, if any, to be granted. The maximum degree of liability of the responsible relative shall be determined by "relatives' contribution scale." Nothing in this section shall preclude the right of an applicant or recipient, or a responsible relative, from appealing directly to the board of supervisors concerning any determination made with respect to the degree of liability of responsible relatives, or of the authority of the board of supervisors to reduce responsible relatives' payment below the amount specified in the scale, where the circumstances justify.

In determining ability to contribute, the financial circumstances of responsible relatives shall be given due consideration and in unusual cases, contributions at less than the amount fixed by "relatives' contributions scale" may be made as the board of supervisors may deem justifiable.

Income of
responsible
relative

For purposes of this chapter, income of a responsible relative is defined as the sum of the income constituting the separate property of the responsible relative, the income (excluding earnings) which is community property subject to the direction and control of the responsible relative, and the earnings of the responsible relative, but not of his or her spouse.

Allowance
for taxes

In computing net income, a flat 20 percent allowance shall be permitted in lieu of a reduction for the actual amount of

personal income taxes, unemployment insurance taxes and social security taxes.

A responsible relative who is self-employed shall also be allowed to deduct the expenses necessary for obtaining the income.

RELATIVES' CONTRIBUTION SCALE

Relatives'
contribution
scale

A. Monthly net income of responsible relatives and family	B. Number of persons dependent upon income									
	1	2	3	4	5	6	7	8	9	10
C. Maximum required contributions										
\$200 or under	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
201- \$225	5	0	0	0	0	0	0	0	0	0
226- 250	10	0	0	0	0	0	0	0	0	0
251- 275	15	0	0	0	0	0	0	0	0	0
276- 300	20	0	0	0	0	0	0	0	0	0
301- 325	25	5	0	0	0	0	0	0	0	0
326- 350	30	10	0	0	0	0	0	0	0	0
351- 375	35	15	5	0	0	0	0	0	0	0
376- 400	40	20	10	0	0	0	0	0	0	0
401- 425	45	25	15	5	0	0	0	0	0	0
426- 450	50	30	20	10	0	0	0	0	0	0
451- 475	55	35	25	15	5	0	0	0	0	0
476- 500	60	40	30	20	10	0	0	0	0	0
501- 525	65	45	35	25	15	5	0	0	0	0
526- 550	70	50	40	30	20	10	0	0	0	0
551- 575	75	55	45	35	25	15	5	0	0	0
576- 600	80	60	50	40	30	20	10	0	0	0
601- 625	85	65	55	45	35	25	15	5	0	0
626- 650	90	70	60	50	40	30	20	10	0	0
651- 675	95	75	65	55	45	35	25	15	5	0
676- 700	100	80	70	60	50	40	30	20	10	0
701- 725	105	85	75	65	55	45	35	25	15	5
726- 750	110	90	80	70	60	50	40	30	20	10
751- 775	115	95	85	75	65	55	45	35	25	15
776- 800	120	100	90	80	70	60	50	40	30	20
801- 825	125	105	95	85	75	65	55	45	35	25
826- 850	130	110	100	90	80	70	60	50	40	30
851- 875	135	115	105	95	85	75	65	55	45	35
876- 900	140	120	110	100	90	80	70	60	50	40
901- 925	145	125	115	105	95	85	75	65	55	45
926- 950	150	130	120	110	100	90	80	70	60	50
951- 975	155	135	125	115	105	95	85	75	65	55
976-1,000	160	140	130	120	110	100	90	80	70	60
1,001-1,025	165	145	135	125	115	105	95	85	75	65
1,026-1,050	170	150	140	130	120	110	100	90	80	70
1,051-1,075	175	155	145	135	125	115	105	95	85	75
1,076-1,100	180	160	150	140	130	120	110	100	90	80
1,101-1,125	185	165	155	145	135	125	115	105	95	85
1,126-1,150	190	170	160	150	140	130	120	110	100	90
1,151-1,175	195	175	165	155	145	135	125	115	105	95

Maximum
monthly
contribution

The maximum required monthly contribution of responsible relatives in one family where the net monthly income is over one thousand one hundred seventy-five dollars (\$1,175) shall be the amount computed by entering the column of maximum required monthly contribution appropriate to number of persons dependent upon income as shown in the relatives' contribution scale for a net monthly income of one thousand one hundred fifty-one dollars (\$1,151) to one thousand one hundred seventy-five dollars (\$1,175) and then adding to the required monthly contribution thus ascertained an additional sum of five dollars (\$5) contribution for each and every bracket of twenty-five dollars (\$25) net income over and above one thousand one hundred seventy-five dollars (\$1,175), the same as if the relatives' contribution scale were extended by brackets of twenty-five dollars (\$25) net income in Column A with corresponding step-by-step increases of five dollars (\$5) monthly contribution in each column under B and C.

CHAPTER 893

An act to amend Section 471 of, and to add Section 471.5 to, the Vehicle Code, relating to stop signs.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 471 of the Vehicle Code is amended to read:

471. Authority to Erect Stop Signs. (a) The State Department of Public Works may erect stop signs at any entrance to any state highway. When such stop signs have been erected at any entrance to a state highway, such highway shall constitute a through highway.

(b) Subject to the provisions of Section 466, any local authority may designate any highway under its jurisdiction as a through highway and may erect like stop signs at specified entrances thereto or may designate any intersection under its exclusive jurisdiction as a stop intersection and erect like signs at one or more entrances thereto.

SEC. 2. Section 471.5 is added to said code, to read:

471.5. Description of Stop Signs. (a) Every stop sign erected after January 1, 1957, shall be of metal and octagonal in shape, shall have a red background and shall carry the word "stop" horizontally in white letters at least one-third the height of the sign. Each side of said sign shall be of equal length and shall be a minimum of 10 inches in length. Each letter of the word "stop" shall be of not less than one-inch stroke. Said sign may be of larger dimensions than specified herein, in which event the stroke of letters shall be increased in the proper proportion.

(b) Every stop sign shall be located at or near the entrance to the highway or intersection where a stop is required.

(c) The lettering upon every stop sign hereafter erected shall from sunset to sunrise be illuminated or reflectorized and the background upon every such sign may be illuminated or reflectorized. Illumination shall be by floodlight upon the face of the sign or by white light in the letters. Reflectorization shall be by white or clear reflecting units or reflecting coating in the letters with or without a red reflecting coating on the background.

(d) Stop signs erected prior to January 1, 1957, shall conform either to the requirements of this section or to the statutory requirements in effect on January 1, 1955 or in effect at the time such signs were erected.

CHAPTER 894

An act to amend Section 2286 of the Business and Professions Code, relating to the healing arts.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2286 of the Business and Professions Code is amended to read:

2286. There shall be at least 10 questions on each subject included in the examination for each certificate. The answers to the questions shall be marked on a scale of 0 to 100. Each applicant shall obtain not less than a general average of 75 percent and not less than 60 percent in any two subjects. Each applicant shall be granted a credit of 1 percent upon his general average for each year of actual licensed practice in the United States and Canada since graduation, which credit shall not exceed five points upon such general average.

CHAPTER 895

An act to amend Section 19431 of the Business and Professions Code, relating to horse racing.

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 19431 of the Business and Professions Code is amended to read:

19431. The board shall establish and maintain a general office for the transaction of its business at a place to be determined by the board. The board may hold meetings at any other place when the convenience of the members of the board requires.

All meetings of the board shall be open and public, and all persons shall be permitted to attend any meeting of the board.

A majority of the board constitutes a quorum for the transaction of business or for the exercise of any power of the board.

CHAPTER 896

An act to amend Section 19434 of the Business and Professions Code, relating to horse racing.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19434 of the Business and Professions Code is amended to read:

19434. The secretary shall keep a full and true record of all proceedings of the board, preserve at the general office all books, documents and papers of the board, prepare for service such notices and other papers as may be required of him by the board, and perform such other duties as the board may prescribe. All records of the board shall be open to inspection by the public during regular office hours.

CHAPTER 897

An act to amend Section 19460 of the Business and Professions Code, relating to horse racing.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19460 of the Business and Professions Code is amended to read:

19460. All licenses granted under this chapter shall be in writing, and are subject to all rules, regulations and conditions from time to time prescribed by the board and shall contain such conditions as are deemed necessary or desirable by the board for the purposes of this chapter.

CHAPTER 898

An act to amend Section 19461 of the Business and Professions Code, relating to horse racing.

In effect
September
7, 1955

[Approved by Governor June 2, 1955. Filed with
Secretary of State June 3, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19461 of the Business and Professions Code is amended to read:

19461. All licenses granted under this chapter are subject to suspension or revocation by the board in any case where the board has reason to believe that any condition of its license has not been complied with or that any law or any rule or regulation of the board has been broken or violated.

All proceedings to revoke a license shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code.

CHAPTER 899

An act to amend Sections 1260, 1263, 1280, and 1281 of the California Unemployment Insurance Code, relating to unemployment insurance.

[Approved by Governor June 2, 1955. Filed with Secretary of State June 3, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1280 of the California Unemployment Insurance Code is amended to read:

1280. An individual's "weekly benefit amount" is the amount appearing in column B in the following table opposite that wage bracket in column A which contains the amount of wages paid to the individual for employment by employers during the quarter of his base period in which his wages were the highest.

A Amount of wages in highest quarter	B Weekly benefit amount
\$150- \$179.99	\$10
180- 209.99	11
210- 239.99	12
240- 269.99	13
270- 299.99	14
300- 329.99	15
330- 359.99	16
360- 389.99	17
390- 419.99	18
420- 449.99	19
450- 479.99	20
480- 509.99	21
510- 539.99	22
540- 569.99	23
570- 599.99	24
600- 629.99	25
630- 659.99	26
660- 689.99	27
690- 719.99	28
720- 749.99	29
750- 779.99	30
780- 809.99	31
810- 839.99	32
840 and over	33

For the purposes of this section, when an individual has been paid remuneration which would be taxable except for the three thousand dollars (\$3,000) limitation on taxable wages, the "quarter of his base period in which his wages were the highest" may be determined by allocating to any quarter of the calendar year falling within the base period that portion of the taxable wages which is equal to the amount of remuneration paid to him in that quarter or eight hundred forty dollars (\$840), whichever is the lesser. The term "remuneration" as used in this section means taxable wages as well as wages which would be taxable except for the three thousand dollars (\$3,000) limitation on taxable wages.

The provisions of this section as amended at the 1954 First Extraordinary Session shall be applicable to new claims for unemployment compensation benefits filed on and after July 1, 1954. The provisions of this section as they existed prior to the effective date of the amendments enacted at the 1954 First Extraordinary Session shall remain applicable to new claims filed prior to July 1, 1954.

SEC. 2. Section 1281 of the California Unemployment Insurance Code is amended to read:

Minimum
earning re-
quirement

1281. (a) An individual cannot establish a valid claim or a benefit year during which any benefits are payable unless he has during his base period been paid wages for employment by employers of not less than six hundred dollars (\$600). If more than 75 percent of his base-period wages were paid during a single calendar quarter, he is not eligible for unemployment compensation benefits unless his total wages during the base period are not less than 30 times his weekly benefit amount, or not less than seven hundred fifty dollars (\$750), whichever is lower.

Maximum
benefits
payable

(b) The maximum amount of unemployment compensation benefits payable to an individual during any one benefit year shall be 26 times his weekly benefit amount but in no case shall the total amount of such benefits payable be more than one-half the total wages paid to the individual during his base period. If the benefit is not a multiple of one dollar (\$1) it shall be computed to the next higher multiple of one dollar (\$1).

Wages due
and unpaid

(c) For the purpose of this section and Section 1280, "wages" includes wages due to any individual but unpaid within the time limit provided by law.

SEC. 3. Section 1260 of the California Unemployment Insurance Code is amended to read:

Period of
disqualifi-
cation

1260. If an individual is disqualified under Section 1256, under a determination transmitted to him by the department, he is ineligible to receive unemployment compensation benefits for the week subsequent to the occurrence of the cause of his disqualification in which he first registers for work and for not more than four weeks which immediately follow that week. If an individual is disqualified under Section 1257, under a determination transmitted to him by the department, he is ineli-

gible to receive unemployment compensation benefits for the week subsequent to the occurrence of the cause of his disqualification in which he first registers for work and for not more than nine weeks which immediately follow that week. An individual so disqualified shall be required to report at a public employment office as provided in subdivision (b) of Section 1253 and an additional week of disqualification shall be imposed for each week during which he does not so report unless good cause for such failure is shown.

SEC. 4. Section 1263 of the California Unemployment Insurance Code is amended to read:

1263. Any individual convicted under Section 2101 by any court of competent jurisdiction of wilfully making a false statement or knowingly failing to disclose a material fact to obtain or increase any benefit or payment under this division shall forfeit any rights to benefits after such conviction commencing with the week in which said false statement or representation or wilful nondisclosure occurred and continuing for the fifty-one (51) consecutive calendar weeks which immediately follow such week.

Fraud
conviction
cancels wage
credits

CHAPTER 900

An act to add Sections 471.1 and 550.1 to, and to amend Section 550 of, the Vehicle Code, relating to traffic signs and signals.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 471.1 is added to the Vehicle Code, to read:

471.1. Yield Right-of-Way Signs. (a) The State Department of Public Works in respect to state highways, and any local authority in respect to highways under its jurisdiction, may erect yield right-of-way signs at one or more approaches to an intersection of streets and highways under its jurisdiction which are not through highways.

Yield
right-of-way
signs

(b) Every yield right-of-way sign hereafter erected shall carry the message "Yield Right of Way" with letters of the word "yield" at least six inches in height, and shall otherwise conform to the specifications as set forth in the National Manual on Uniform Traffic Control Devices for Streets and Highways.

(c) Every yield right-of-way sign shall be located at or near the entrance to the intersection where motorists are required to yield the right of way.

SEC. 2. Section 550 of said code is amended to read:

550. Vehicle Approaching or Entering Intersection. (a) The driver of a vehicle approaching an intersection shall yield

Vehicle
approaching
or entering
intersection

the right of way to a vehicle which has entered the intersection from a different highway.

(b) When two vehicles enter an intersection from different highways at the same time the driver of the vehicle on the left shall yield the right of way to the driver of the vehicle on the right.

(c) This section shall not apply at intersections controlled by traffic control signals, stop signs or yield right-of-way signs, or to vehicles approaching each other from opposite directions, when the driver of one of such vehicles is intending to or is making a left turn.

SEC. 3. Section 550.1 is added to said code, to read:

Intersection
controlled
by yield
right-of-way
sign

550.1. Vehicle Entering Intersection of Roadway Controlled by Yield Right-of-Way Sign. (a) The driver of any vehicle upon approaching any yield right-of-way sign at the entrance to a highway or intersection shall not drive at a speed exceeding 15 miles per hour across such highway or intersection and shall slow down and stop if necessary and shall yield the right of way to other vehicles which have entered the intersection from an intersecting street or which are approaching so closely on the intersecting street as to constitute an immediate hazard.

(b) Said driver, having so yielded, may then proceed and the drivers of all other vehicles approaching the intersection on the intersecting roadway shall yield the right of way to the vehicle so about to enter or cross the roadway protected by the yield right-of-way sign.

CHAPTER 901

An act to add Article 4 to Chapter 10 of Division 7 of the Public Utilities Code, relating to disincorporation of public utility districts.

In effect
September
7, 1955

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955]

The people of the State of California do enact as follows:

SECTION 1. Article 4 is added to Chapter 10 of Division 7 of the Public Utilities Code, to read:

Article 4. Disincorporation Where the District Is Entirely Within a City

Petition

18000. Whenever the legislative body of a city has succeeded to the powers of the board of directors of a district pursuant to Section 15533, the legislative body may present a petition to the board of supervisors of the county in which the district is situated, requesting the assignment of all the property of the district to the overlapping city, and disincorporation of the district.

18001. The board of supervisors, prior to making any assignment, shall cause a notice to be published in a newspaper of general circulation published in the district to be discontinued and if none is so published, then in some newspaper published in the county, setting the time and place when the proposed transfer and discontinuation will be considered by the board of supervisors, and notifying all persons interested in the transfer and discontinuation to appear and be heard and also notifying all persons having any claims or indebtedness against the district to present them for allowance and payment. Notice

18002. At the time of the hearing, the board of supervisors shall consider all matters in connection with the proposed transfer and discontinuation, and shall, if it determines the transfer and discontinuation to be for the best interest of the district and of the city, transfer all property of the district to the city. The transfer, however, shall not be effective until the board of supervisors finds that all claims, indebtedness and bonds have been paid and discharged. To effectuate the transfer, the board of supervisors acting on behalf of the district, shall execute all necessary deeds, assignments, and bills of sale to the city. Hearing

18003. When the transfer of the property of the district has been completed, then the board of supervisors shall enter an order reciting compliance with this article and the transfer of the property of the utility to the overlapping city, and ordering discontinuation of the district. Order

18004. A certified copy of the discontinuation of the district shall be recorded in the office of the county recorder of the county in which the discontinued district is situated, and a copy filed with the Board of Equalization of the State of California. Recreation

CHAPTER 902

An act to amend Section 254.6 of the Vehicle Code, relating to student licenses.

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 254.6 of the Vehicle Code is amended to read:

254.6. Student Licenses. (a) Any student over 14 years of age taking a course in automobile driver training, maintained pursuant to Article 11 of Chapter 1 of Division 5 of the Education Code in a secondary school or enrolled in a driver training course offered by a private or parochial school of secondary level may apply to the principal of the school for a student license. Application shall be made upon a form provided by the department. The application form must be signed

by the applicant before the principal of the school, or a staff member assigned to such duty. The application must be accompanied by a statement, on a form provided by the department, signed by the parents or guardian or person having custody of the minor, consenting to the issuance of a student license to the student and accepting liability for civil damages arising out of the student's driving a motor vehicle upon a highway as provided for in Section 352 of this code.

(b) The principal or staff member assigned such duty may issue or reissue a student license without cost whenever in his opinion the applicant is qualified to take the course of instruction and has filed a proper application therefor.

(c) Upon the issuance of a student license the application together with the statement of consent signed by the parents, or other persons required to sign, shall be forwarded to the department for filing.

(d) A student license shall limit the operation of a motor vehicle to such times as the licensee is taking driver training in connection with the driver education program and then only at the direction and under the supervision of the instructor, and shall be valid only for the period covered by the course and for not more than one year from the date of issuance.

(e) A student license may be canceled by the principal of the school or by the department whenever, in the opinion of either, the safety of the licensee or other persons requires such action, and shall be canceled upon the written request of the parent or other person who signed the consent to issue the license.

(f) All student licenses shall be surrendered and returned to the department whenever canceled or upon completion of the course of instruction for which issued.

(g) The department may adopt, amend, or repeal, in accordance with the provisions of Chapter 4, Part 1, Division 3, Title 2 of the Government Code, reasonably necessary regulations relative to the issuance of a student license.

CHAPTER 903

An act to amend Section 28115 of the Government Code, relating to compensation for public service in counties of the fifteenth class.

In effect
September
7, 1955

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 28115 of the Government Code is amended to read:

28115. In a county of the fifteenth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

Tulare
County
officers:
Salaries

(a) The county auditor, seven thousand five hundred dollars (\$7,500) a year.

(b) The district attorney, ten thousand dollars (\$10,000) a year. He shall devote his entire time to the duties of his office and shall not engage in the private practice of law during his term in office.

(c) Each supervisor, five thousand four hundred dollars (\$5,400) a year for all personal services performed by him as supervisor and member of the board of equalization, and his actual and necessary traveling expenses incurred in performing any of the duties of his office, the claim for which shall be allowed and paid out of the county general fund in the same manner as other claims are allowed and paid. The traveling expenses exclusive of meals and hotel accommodations shall not exceed seven cents (\$0.07) a mile.

(d) Each member of the grand jury shall be allowed four dollars (\$4) for each day in attendance upon the sessions of the grand jury or for each day's active and necessary service as a member of any committee of the grand jury. Each grand juror shall be allowed mileage at the rate of five cents (\$0.05) a mile for each mile actually and necessarily traveled in attendance upon and returning from meetings of the grand jury or any actual or necessary session of a grand jury committee duly called by the secretary or committee chairman, but no mileage shall be allowed outside of the county. For attending as a trial juror in a criminal action in the superior court, three dollars (\$3) per day if called but not sworn to try the cause, and four dollars (\$4) per day if called and sworn to try the cause. For attending as a trial juror in a civil action in the superior court, four dollars (\$4) per day if called but not sworn to try the cause and five dollars (\$5) per day if called and sworn to try the cause. For attending as a trial juror in the justice court for each juror sworn to try the cause, two dollars (\$2) a day. For each mile actually traveled in attending court as a juror, seven cents (\$0.07) a mile each way from the place of residence to the court.

CHAPTER 904

An act to amend Section 29434 of the Government Code, relating to the population basis for a sheriff's special fund.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 29434 of the Government Code is amended to read:

29434. The population basis is that fixed by the last decennial federal census.

CHAPTER 905

An act to amend Section 29403 of the Government Code, relating to the population basis for a district attorney's special fund.

In effect
September
7, 1955

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 29403 of the Government Code is amended to read:

29403. The population basis is that fixed by the last decennial federal census.

CHAPTER 906

An act to amend Section 7714.1 of the Education Code, relating to state school building aid.

In effect
September
7, 1955

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7714.1 of the Education Code is amended to read:

Apportion-
ment
application
for site, etc.
not part of
construction
project

7714.1. Notwithstanding any other provisions of this chapter, a district which applies for an apportionment for the purchase of a site or comprehensive master plan, which is not a part of a construction project, shall make a separate application for such site or comprehensive master plan.

All of the provisions of this chapter apply to such application and apportionment except that:

(a) Any application for the site or comprehensive master plan pursuant to this section which is received by the board shall be transmitted to the Department of Education. If the Department of Education determines that within five years from the date of the application there will be sufficient enrollment in the district to show the need of such site or comprehensive master plan, it may approve the application and refer it to the board which shall either approve or reject the application pursuant to Section 7713. Any provision of Section 7713 inconsistent with this section shall not apply to such application.

(b) Sections 7705 and 7705.1 do not apply.

(c) An application for a site pursuant to this section may include an amount for the preparation of a comprehensive master plan for the development of the site.

(d) If the application is approved and an apportionment granted therefor the district shall repay the full amount of such apportionment and the interest thereon. The repayment of the apportionment, and the interest thereon, may be

over a period of years, not to exceed 30 years from the first day of January of the fiscal year next succeeding the fiscal year in which such apportionment became final. The number of years allowed for repayment shall be determined by the board at the time it fixes interest on the apportionment. Such repayment is in addition to any other repayment required under this chapter. If the site is subsequently used in a construction project for which an apportionment is received under other provisions of this chapter, the district shall not be required to make any further repayments for site pursuant to this section and the unpaid balance of the apportionment and interest owing on the apportionment for the site pursuant to this section shall be added to the principal amount of the apportionment and accrued interest thereon for the construction project.

CHAPTER 907

An act to amend Sections 1593 and 2712.5 of, and to add Section 2404 to, the Education Code, relating to school districts.

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1593 of the Education Code is amended to read:

1593. In the case of every other action referred to in this article, the action shall be effective as to any district in any way affected by the action on the date the action is completed for the following purposes:

Effective
date of
formation,
etc., of
school
districts

(a) The determination of the assessed valuation of any district or districts affected by the action.

(b) The appointment or election of members of the governing boards of the school districts affected.

(c) The preparation and submission of school district budgets.

(d) The election or appointment of employees for the ensuing school year.

(e) The calling and conducting of elections for and the issuance and sale of school district bonds as to any district in any way affected by the action whether it be a newly formed district or one which territory has been added to or taken from by the action and including the calling and conducting of such elections only in that portion of the district remaining after territory has been excluded therefrom in any manner by such action.

(f) The exercise by the governing boards of the school districts affected of other powers and duties vested in governing boards of school districts of the same type or class and not inconsistent with other provisions of this code.

(g) The holding of an election to determine whether a newly formed elementary school district, or a district comprised within a newly formed union or joint union elementary school district shall become a part of a high school district.

(h) The calling and conducting of elections to increase the maximum rates of tax for district or districts affected.

(i) The calling and conducting of elections for the assumption of bonded indebtedness.

(j) The unionization or uniting of the district with one or more school districts, its annexation to another school district, the unification of the district, the changing of its boundaries, or other reorganization affecting it.

(k) The calling and conducting of elections for the acceptance and repayment of any allocation of state funds under any state school building aid law, as to any district in any way affected by the action, whether it be a newly formed district or one which territory has been added to or taken from by the action.

SEC. 2. Section 2712.5 of said code is amended to read:

Uniting
with contiguous
district
Election

2712.5. At any time following the formation of the elementary school district, the governing board of any contiguous elementary school district lying wholly within the county in which the greater part of the population of the district formed under this chapter is located may call an election in the contiguous elementary school district for the purpose of submitting to the electors of such contiguous elementary school district the question of whether such contiguous elementary school district shall become a part of the elementary school district formed under this chapter. Such election shall be called, held and conducted substantially in the manner provided for in Article 1 of Chapter 4 of this division except that the ballot shall contain the words: "Shall the (-----)

Insert name

School District become a part of the (-----) School Dis-

Insert name

trict?"

The voter shall write or print after the words on his ballot the word "yes" or the word "no."

If a majority of the votes cast at such election is in the affirmative, such contiguous elementary school district shall thereafter become a part of the elementary school district formed under this chapter.

SEC. 3. Section 2404 is added to said code, to read:

"Elementary" not
to be used

2404. The word "elementary" shall not be used as a part of a designation of any school district.

CHAPTER 908

An act to amend Section 2183.9 of the Welfare and Institutions Code, relating to aid to the aged.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2183.9 of the Welfare and Institutions Code is amended to read:

2183.9. Notwithstanding any other provision of this article whenever a recipient becomes ineligible for aid due to income he derives from employment, an agent of the board of supervisors shall be authorized to grant aid without further order of the board whenever the income of such person does not exceed the amount allowed under this chapter if the person is otherwise eligible. Aid shall begin not later than the first of the month following the date restoration is requested and shall be delivered to the recipient within 30 days of the date restoration is requested.

The provisions of this section shall not apply when aid has been discontinued for one year or more.

CHAPTER 909

An act to add Sections 11513.1 and 11513.2 to the Insurance Code, relating to the provision of group hospital service coverage.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 11513.1 is added to the Insurance Code, to read:

11513.1. A corporation subject to the provisions of this chapter is permitted to provide group hospital service coverage prior to the approval of the form of the contract or certificate if all the conditions of (a) are met prior thereto and if thereafter it acts as required by (b).

(a) The conditions precedent are:

(1) The group is one eligible for coverage pursuant to the provisions of this chapter; and

(2) An executed memorandum has been or is concurrently delivered to the subscriber containing a provision that unless a group hospital service certificate, the form of which has been approved by the commissioner and issued under a group hospital service contract the form of which has been approved by the commissioner, and embodying the coverage, has been issued and delivered to the subscriber within 90 days after the date on which the coverage is provided or agreed to be provided, the coverage provided pursuant to such memorandum terminates

Group cover-
age prior to
approval of
contract
Required
provisions

120 days after such date, and containing a specification in either complete or summary form of:

- (i) The class or classes of employees eligible for coverage;
 - (ii) The benefits to be provided; and
 - (iii) The exceptions and reductions to such benefits, if any.
- (b) A corporation subject to the provisions of this chapter providing coverage pursuant to this section shall:

(1) Within 60 days after the date on which the coverage is provided or agreed to be provided submit to the commissioner for approval a form of a group hospital service contract, and a form of a certificate of individual coverage drafted to provide the coverage provided by such memorandum and in good faith attempts to meet all requirements of law;

(2) Make such revisions in the contract and certificate submitted as the commissioner may lawfully require; and

(3) Terminate such coverage in accordance with the provisions of (a) (2) above if approval of such contract and certificate is not secured within the time specified therein.

Upon written request from the corporation subject to the provisions of this chapter filed within 50 days after the date on which the coverage is provided or agreed to be provided and upon proof satisfactory to him that the corporation is acting with due diligence and that hardship will result unless an extension is granted, the commissioner may extend the time set forth in (b) (1) hereof for a period of not to exceed 30 days. Upon such extension, the corporation with the consent of the subscriber may amend the memorandum referred to in (a) (2) hereof to extend the time within which the certificate must be issued and delivered to the subscriber to 30 days after the date to which the commissioner has extended the time within which a form of contract and certificate must be submitted to him for approval and to extend the date for termination of coverage to 30 days thereafter.

A contract and certificate submitted to the commissioner with a letter from the corporation stating that coverage has been provided in accordance with this section shall be automatically approved unless the commissioner disapproves the same within 30 days of the date of its submission to him.

SEC. 2. Section 11513.2 is added to the Insurance Code, to read:

Suspension
or revo-
cation

11513.2. The commissioner may suspend or revoke the permission granted by Section 11513.1 if, after notice and hearing in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, he finds that the corporation has:

- (a) Misrepresented the conditional nature of the coverage;
- (b) Neglected or refused either to cancel or otherwise terminate such coverage within the time required by such section;
- (c) Delivered any such memorandum which did not comply with subsection (a) (2) of Section 11513.1.

(d) Shown a lack of diligence in making revisions in the contract or certificate necessary to obtain its approval by the commissioner;

(e) Failed so often in so many important respects in drafting any such contract or certificate to conform to the applicable requirements of the Insurance Code that a conclusion of lack of good faith or competency in drafting is reasonably justified;

(f) Circulated announcements of coverage to individual subscribers which failed to advise them of the conditional nature of the coverage; or

(g) In any other manner so negligently or carelessly handled the effecting of group hospital service coverage under Section 11513 1 or the administration thereof that the subscriber or the persons covered by the contract or certificate have been misled or exposed to the danger of loss.

CHAPTER 910

An act to add Section 602 5 to the Welfare and Institutions Code, relating to probation committees.

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1 Section 602 5 is added to the Welfare and Institutions Code, to read:

602 5. Notwithstanding any other provision of Section 602, in any county wherein the internal affairs of the juvenile hall or branch juvenile hall are under the management and control of the probation committee of the county as provided in Section 662, the board of supervisors may by ordinance provide for the compensation to be paid to the members of the probation committee.

CHAPTER 911

An act to amend Section 164.5 of the Welfare and Institutions Code, relating to sending lists of patients to Department of Veterans Affairs.

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 164 5 of the Welfare and Institutions Code is amended to read:

164.5. The Department of Mental Hygiene shall send to the Department of Veterans Affairs whenever requested a list of all persons who have been patients for six months or more in each state institution within the jurisdiction of the department and who are known to have served in the armed forces of the United States.

CHAPTER 912

An act to amend Sections 4017, 4018, and 4019 of, and to add Section 4019.2 to, the Penal Code, relating to labor and time off for good behavior by prisoners in county and city jails.

In effect
September
7, 1955

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4017 of the Penal Code is amended to read:

Order
requiring
performance
of labor

4017. All persons confined in the county jail, industrial farm or road camp under a final judgment of imprisonment rendered in a criminal action or proceeding and all persons confined in the county jail, industrial farm or road camp as a condition of probation after suspension of imposition of a sentence or suspension of execution of sentence may be required by an order of the board of supervisors to perform labor on the public works or ways in the county.

"Labor on
public
works"

"Labor on Public Works" Defined. The phrase "labor on the public works" as used in this section shall include among other things clerical and menial labor in the county jail, industrial farm or in the camps maintained for the labor of such persons upon the ways in the county.

SEC. 2. Section 4018 of said code is amended to read:

Rules and
regulations

4018. The board of supervisors making such order may prescribe and enforce the rules and regulations under which such labor is to be performed; and provide clothing of such a distinctive character for said prisoners as such board, in its discretion, may deem proper. For each month in which the prisoner appears, by the record, to have given a cheerful and willing obedience to the rules and regulations, and that his conduct is reported by the officer in charge of the jail, industrial farm or road camp to be positively good, five days shall, with the consent of the board of supervisors, be deducted from his period of confinement.

SEC. 3. Section 4019 of said code is amended to read:

Time off
for good
behavior

4019. For each month in which a prisoner confined in a county jail, industrial farm or road camp or any city jail, industrial farm or road camp under a judgment of imprisonment, or in which a prisoner confined in the county jail, industrial farm or road camp, or any city jail, industrial farm or road camp as a condition of probation after suspension of imposition of a sentence or suspension of execution of sentence, in a criminal action or proceeding, appears, by the record, to have given a cheerful and willing obedience to the reasonable rules and regulations established by the county board of parole commissioners for the conduct of such prisoners, and that his conduct is reported by the officer in charge of the jail, industrial farm or road camp to be positively good, five days shall,

with the consent of the county board of parole commissioners, be deducted from his period of confinement.

SEC. 4. Section 4019.2 is added to said code, to read:

4019.2. For each month in which a prisoner confined in or committed to a county jail, industrial farm or road camp has satisfactorily performed his assigned work, as reported and recorded by the officer in charge, five days shall, with the consent of the board of supervisors or the county board of parole commissioners, be deducted from his period of confinement. The deduction allowed pursuant to this section shall be granted regardless of whether or not a deduction is made pursuant to Sections 4018 or 4019, but no prisoner shall be granted a total deduction under these sections in excess of 10 days for any single month.

Same
Limit on
total
deduction

CHAPTER 913

An act to add Section 610.5 to the Fish and Game Code, relating to possession of fish.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 610.5 is added to the Fish and Game Code, to read:

610.5. The provisions of this section apply only to trout taken in districts or parts of districts lying within Mono and Inyo Counties. Not more than one daily bag limit of trout may be possessed in said counties, except that, in addition to the one daily bag limit that may be so possessed, one additional daily bag limit may be possessed in accordance with rules and regulations prescribed by the commission. Not more than one such additional daily bag limit shall be possessed by any one person at any one time and not more than three such additional daily bag limits may be possessed by any one person during any one open season for trout. Notwithstanding any other provisions of this code, trout taken in said counties shall not be shipped by common carrier but trout lawfully possessed in said counties pursuant to this section may be transported and possessed in any part of the State by the person by whom such trout were taken. It is unlawful for any person to possess more than one daily bag limit of trout except in conformity with this section. The provisions of this section shall become operative on January 1, 1956, and shall remain in effect until December 31, 1957, and thereafter shall have no force or effect.

CHAPTER 914

An act to amend Section 773 of, and to add Section 773.5 to the Vehicle Code, relating to the waiver of driver training penalty assessments.

In effect
September
7, 1955

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 773 of the Vehicle Code is amended to read:

Penalty
assessments
for driver
training

773. Penalty Assessment Levied to Reimburse General Fund for Driver Training Appropriations. To reimburse the General Fund for amounts appropriated therefrom for driver training pursuant to Section 5154.5 of the Education Code, on and after January 1, 1954, there shall be levied a penalty assessment on all offenses involving a violation of a section of this code or of a city or county ordinance, relating to the operation of motor vehicles, except offenses relating to parking or registration, in the following amounts:

- (1) Where a fine is imposed -----\$1 for each \$20 of fine, or fraction thereof.
- (2) If sentence is suspended -----\$1 if jail only, otherwise based on the amount of the fine levied, as in subsection (1).
- (3) If bail is forfeited -----\$1 for each \$20 of bail, or fraction thereof.
- (4) Where multiple offenses
are involved -----The penalty assessment shall be based on the total fine or bail for all offenses, or \$1 for each jail sentence.

Reduction

When a fine is suspended, in whole or in part, the penalty assessment shall be reduced in proportion to the suspension.

Bail

When any deposit of bail is made for an offense to which this section applies, the person making such deposit shall also deposit a sufficient amount to include the penalty assessment prescribed in this section for forfeited bail. If bail is forfeited, the amount of such penalty assessment shall be transmitted by the clerk of the court to the county treasury and thence to the State Treasury pursuant to this section.

Disposition
of moneys
collected

After a determination by the court of the amount due, the clerk of the court shall collect the same and transmit it to the

county treasury. It shall then be transmitted to the State Treasury to be deposited in the General Fund. The transmission to the State Treasury shall be carried out in the same manner as fines collected for the State by a county.

SEC. 2. Section 773.5 is added to said code, to read:

773.5. Waiver of Driver Training Penalty Assessment. In ^{Waiver} any case where a person convicted of any violation of this code punishable by fine and the levy of the penalty assessment specified in Section 773 is imprisoned until the fine is satisfied, the judge may waive all or any part of the penalty assessment the payment of which would work a hardship on the person convicted or his immediate family.

CHAPTER 915

An act to amend Sections 34301, 34306, 34308, 34310, 35113, 35114, 35115, 35307, 35308 and 35314 of, to repeal Sections 34309 and 35309 of, and to add Sections 34302.5, 34302.6, 34303.1 and 34325.1 to, the Government Code, relating to the organization and boundaries of cities, declaring the urgency hereof, to take effect immediately.

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 34301 of the Government Code is amended to read:

34301 "Qualified signer," as used in this chapter, means <sup>"Qualified
signer"</sup> the owner in fee of land situated within the limits of the city proposed to be incorporated, except where such land is subject to a written agreement to buy, in which event the purchaser under such written agreement shall be deemed the "qualified signer."

SEC. 2. Section 34302.5 is added to said code, to read:

34302.5. Before circulating a petition seeking the incorporation of a new city, the proponents shall file a notice of <sup>Notice of
intention</sup> intention to so do with the board of supervisors. The notice shall contain the names of the proponents intending to circulate the petition and the specific boundaries of the territory proposed to be incorporated.

Notice of receipt of the notice of intention to circulate shall be given by the clerk of the board of supervisors to the legislative bodies of all cities whose territorial limits lie within three miles of any of the territory proposed to be incorporated into a new city. Such notice shall be given by mail addressed to the legislative bodies of the cities entitled thereto and shall in general terms indicate the area proposed to be incorporated. <sup>Notice of
receipt of
notice of
intention</sup>

SEC. 3. Section 34302.6 is added to said code, to read:

34302.6. For a period of 50 days after the filing of such <sup>Restrictions
After filing</sup> notice of intention (a) no other notice of intention shall be filed hereunder for the incorporation of any of the same territory described in the filed notice; (b) no notice of intention

to circulate a petition for the annexation of any such territory under the provisions of the Annexation Act of 1913 shall be filed or consented to by the legislative body of any city; (c) no petition shall be filed with, and no proceedings shall be instituted by, the legislative body of any city for the annexation of any such territory under the provisions of this division.

SEC. 4. Section 34303.1 is added to said code, to read:

Same After
proceedings
initiated

34303.1. When proceedings for the incorporation of a city have been initiated and until it has been determined that the board of supervisors is without jurisdiction to proceed further, or such incorporation has been defeated by the electors: (a) no notice of intention to circulate a petition for the incorporation of any of the territory included in the pending proceedings or within the boundaries as established by the pending proceedings shall be filed; (b) no notice of intention to circulate a petition for the annexation of any such territory under the provisions of the Annexation Act of 1913 shall be filed or consented to by the legislative body of any city; (c) no petition shall be filed with, and no proceedings shall be instituted by, the legislative body of any city for the annexation of any such territory under the provisions of this division.

SEC. 5. Section 34306 of said code is amended to read:

Checking
petition

34306. The board shall cause its clerk to ascertain whether the petition is signed by the requisite number of qualified signers and whether it correctly describes the boundaries of the proposed city. The clerk shall report to the board within 30 days.

Except to the extent that proof to the contrary has been submitted to him, the clerk in ascertaining whether the petition is signed by the requisite number of qualified signers may assume that the assessee on the last equalized assessment roll of the county are the qualified signers as herein defined. Proof of qualification as a signer shall be in writing and, except for copies of instruments of title, shall be verified.

SEC. 6. Section 34308 of said code is amended to read:

Publication
fee

34308. If the report shows that the petition is signed by the requisite number of qualified signers and accurately describes the boundaries of the proposed city, the board shall direct its clerk to accept the amount of money fixed by the board to defray the costs of the publication of the petition and the notice of election. If the amount of money so deposited is less than the actual cost of publication, the petitioners shall deposit with the clerk an additional amount equal to the difference between the actual cost of publication and the amount first deposited. Immediately upon ascertaining the actual cost of publication the clerk shall notify the petitioners if such an additional amount is required and, if so, the petitioners shall deposit such amount with the clerk within five days after the completion of the publication.

If the amount first deposited exceeds the actual cost of publication, the clerk shall, upon the request of the petitioners, return to the petitioners the amount of such excess.

SEC. 7. Section 34309 of said code is hereby repealed. Repeal

SEC. 8. Section 34310 of said code is amended to read:

34310. At its next regular meeting after the deposit of the amount fixed by the board to defray publication costs, the board shall fix a time for a hearing and direct its clerk to cause the petition and a notice stating the time of the hearing to be published for at least two weeks before the hearing, in a newspaper of general circulation printed and published in the county. Notice of hearing

SEC. 9. Section 34325.1 is added to said code, to read:

34325.1. If a majority of the votes cast is against incorporation, no further proceedings for the incorporation of the same or substantially the same area shall be initiated for one year after the date of the election. Vote against incorporation

SEC. 10. Section 35113 of the Government Code is amended to read:

35113. Within 15 days after such filing, the legislative body may adopt a resolution acknowledging receipt of the notice and approving the circulation of the petition. For a period of 50 days after the adoption of such a resolution (a) no notice of intention to incorporate a new city shall be filed including any of the territory described in the notice; (b) no notice of intention to circulate a petition for the annexation of any such territory under the provisions of this article shall be filed with or consented to by a legislative body of any city; (c) no petition shall be filed with, and no proceedings shall be instituted by, the legislative body of any city for the annexation of any of such territory under the provisions of this division. Resolution
Restrictions After resolution adopted

SEC. 11. Section 35114 of said code is amended to read:

35114. Twenty-one days after the publication or posting of the notice and statement, the petition may be circulated among the voters within the area proposed to be annexed pursuant to the Elections Code. In no event shall such petition be circulated prior to securing the consent to circulate provided for in Section 35113. Circulation of petition

SEC. 12. Section 35115 of said code is amended to read:

35115. When a petition for the annexation of any new territory, containing a sufficient number of valid signatures, has been received by its legislative body, jurisdiction over the proceedings is acquired, and until annexation to such city has been defeated by the electors of the territory or until proceedings relating to the annexation become void or are otherwise terminated: Restrictions After petition received

(a) No other petition provided for in this division asking for the annexation of any of the territory described in the filed petition shall be filed, presented to or acted upon by the legislative body of any other city.

(b) No other legislative body shall consent to the circulation of a petition or initiate any proceedings on its own motion under the provisions of this division for the annexation of any part of the territory described in the filed petition.

(c) No notice of intention to circulate a petition for incorporation of any part of the territory described in the filed petition shall be filed.

SEC. 13. Section 35307 of the Government Code is amended to read:

Time of
hearing

35307. The hearing shall be held not less than 40 nor more than 60 days after the passage of the resolution.

SEC. 14. Section 35308 of said code is amended to read:

Restriction
After peti-
tion received

35308. When a valid and sufficient petition for the annexation of any territory to a city has been received by its legislative body or its legislative body has initiated proceedings as hereinafter provided and until an ordinance disapproving such annexation becomes effective (a) no notice of intention to incorporate a new city shall be filed which includes any of the territory described in the annexation proceedings; (b) no notice of intention to circulate a petition for the annexation of any such territory under the Annexation Act of 1913 shall be filed or consented to by the legislative body of any city; (c) no petition shall be filed with, and no proceedings shall be instituted by, the legislative body of any city for the annexation of any such territory under this division.

Repeal

SEC. 15. Section 35309 of said code is hereby repealed.

Protest

SEC. 16. Section 35314 of said code is amended to read:

35314. If such a protest is not made, the legislative body shall forthwith approve or disapprove the annexation, by ordinance.

Urgency

SEC. 17. This act is an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of Article IV of the Constitution and shall go into immediate effect, to become operative July 1, 1955. The facts concerning such necessity are:

Operative
date

The present law is uncertain, as between conflicting annexation and incorporation proceedings as to which such proceeding has priority. In order to provide an orderly procedure for rapidly growing areas which are in urgent need of municipal type services to obtain them immediately and without unnecessary delay, confusion and litigation, by annexing to existing cities or incorporating as cities, it is necessary that this act take effect immediately.

CHAPTER 916

An act to amend Sections 58103 and 58106 of, and to add Section 58309 to, the Government Code, relating to district organizations.

In effect
September
7, 1955

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 58103 of the Government Code is amended to read:

58103. If the supervising authority finds that protest has been made, prior to the supervising authority's final determination for formation, by the owners of real property within the proposed district the assessed value of which, as shown by the last equalized assessment roll, constitutes more than one-half of the total assessed value of the real property within the proposed district, the proceeding shall terminate. The supervising authority shall order the proceedings terminated when such protests are received. Termination upon protest

SEC. 2. Section 58106 of the Government Code is amended to read:

58106. In so doing the supervising authority shall exclude any land which it finds will not be benefited by the proposed project and shall make a specific finding as to each parcel of land with respect to which a written request for exclusion has been presented on the question of whether it will or will not be benefited by the proposed project. In making such finding the supervising authority shall consider present use of such land, reasonable prospective use, topography, the nature of the proposed improvements, and any other pertinent factors. The present use of lands for rights of way for railroads, power and communication lines, or other public utility facilities shall be presumed by the supervising authority to be permanent. Exclusion of unbenefited land

The supervising authority may include any land if it finds that the land will be benefited and that its inclusion will be to the interest of the district.

If lands are excluded by the supervising authority pursuant to this section, such lands shall not thereafter be annexed to or included in the district in the absence of a finding, based on substantial evidence, of a change in the circumstances upon which the decision to exclude such lands was based.

SEC. 3. Section 58309 is added to the Government Code, to read:

58309. In case of a conflict between the provisions of this chapter and the provisions of the law providing for the creation of a particular district or type of district, the provisions of this chapter shall prevail. Application

CHAPTER 917

An act to add Sections 50.5, 670, 670.05, and 670.7 to, to amend Sections 233, 670.4 and 670.5 of, and to repeal Sections 670 and 670.3 of, the Vehicle Code, relating to brake requirements for vehicles.

[Approved by Governor June 3, 1955. Filed with Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 50.5 is added to the Vehicle Code, to read:

"Manufacturer's gross vehicle weight rating"

50.5. "Manufacturer's Gross Vehicle Weight Rating." "Manufacturer's gross vehicle weight rating" means the weight in pounds of the chassis of a truck or truck tractor with lubricants, radiator full of water, full fuel tank or tanks plus the weights of the cab or driver's compartment, body, special chassis and body equipment and pay load as authorized by the chassis manufacturer.

In the event a vehicle is equipped with an identification plate or marker bearing the manufacturer's name and manufacturer's gross vehicle weight rating, the rating stated thereon shall be prima facie evidence of the manufacturer's gross vehicle weight rating.

SEC. 2. Section 233 of said code is amended to read:

Sale etc., of vehicle without manufacturer's number or weight rating

233. Vehicles Without Manufacturers' Numbers or Weight Rating. No person shall knowingly buy, receive, dispose of, sell, offer for sale or have in his possession any motor vehicle, or motor removed from a motor vehicle, from which the manufacturer's serial or motor number or manufacturer's gross vehicle weight rating or other distinguishing number or identification mark or number placed thereon under assignment from the department has been removed, defaced, covered, altered or destroyed for the purpose of concealing or misrepresenting the identity or manufacturer's gross vehicle weight rating of said motor vehicle or motor.

Repeal

SEC. 3. Section 670 of said code is hereby repealed.

Brakes

SEC. 4. Section 670 is added to said code to read:

670. Brakes. (a) Brake equipment shall be required upon vehicles as follows:

1. Every motor vehicle, other than a motorcycle or motor-driven cycle, when operated upon a highway shall be equipped with brakes adequate to control the movement of and to stop and hold such vehicle, including two separate means of applying the brakes, a service brake and an emergency brake, each of which shall be effective to apply the brakes to at least two wheels. If these two separate means of applying the brakes are connected in any way, they shall be so constructed that failure of any one part of the operating mechanism shall not leave the motor vehicle without brakes on at least two wheels.

2. Every motorcycle and every motor-driven cycle, when operated upon a highway, shall be equipped with at least one brake, which may be operated by hand or foot.

3. One of the means of brake operation upon a motor vehicle, other than a motorcycle or motor-driven cycle, shall consist of a mechanical connection from the operating lever to brake shoes or bands and shall be capable of locking the rear driving wheels and of being set to hold the vehicle, or combination of vehicles, stationary to the limit of traction of such braked wheels.

4. The brake shoes operating within or upon the drums on the vehicle wheels of any motor vehicle may be used for both service brake and emergency brake operation.

SEC. 4.5. Section 670.05 is added to said code, to read :

670.05. Stopping Distance Requirements. (a) Every motor vehicle or combination of vehicles, at any time and under all conditions of loading, shall, upon application of the service brake, be capable of stopping from an initial speed of 20 miles per hour according to the following requirements:

	Maximum stopping distance (feet)
(1) Any passenger motor vehicle designed to carry not more than 9 persons including driver-----	25
(2) Any single motor vehicle with a manufacturer's gross vehicle weight rating of less than 10,000 lbs.---	30
(3) Any combination of vehicles consisting of a passenger vehicle designed to carry not more than nine persons including driver or any motor vehicle with a manufacturer's gross vehicle weight rating of less than 10,000 lbs. in combination with any trailer, semitrailer or trailer coach-----	40
Any single motor vehicle with a manufacturer's gross vehicle weight rating of 10,000 lbs. or more. -	40
Any passenger motor vehicle designed to carry more than nine persons including driver-----	40
(4) All other combinations of vehicles-----	50

(b) In respect to any motor vehicle designed, used or maintained primarily for the transportation of property which is not equipped with a plate or marker showing the manufacturer's gross vehicle weight rating, the provisions of this subsection shall apply for purposes of this section:

(1) Any such motor vehicle having less than six wheels shall be deemed the equivalent of a vehicle having a manufacturer's gross vehicle weight rating of less than 10,000 pounds.

(2) Any such motor vehicle having six wheels or more shall be deemed the equivalent of a vehicle having a manufacturer's gross vehicle weight rating of 10,000 pounds or more.

(c) Tests shall be conducted on a substantially level, dry, smooth, hard-surfaced road that is free from loose material and where the grade does not exceed plus or minus 1 percent. Stopping distance shall be measured from the instant brake controls are moved and from an initial speed of approximately 20 miles per hour. No test of brake performance shall be made upon a highway at a speed in excess of 25 miles per hour.

(d) All brakes shall be maintained in good working order and shall be so adjusted as to operate as equally as practicable with respect to the wheels on opposite sides of the vehicle.

(e) Implements of husbandry, special mobile equipment, equipment operated under special permit as authorized in this code and any chassis without body or load shall not be

subject to the foregoing provisions of this section, but shall be subject to the following requirements:

Any such vehicle or equipment which cannot be stopped within 32 feet from an initial speed of 15 miles per hour may be operated upon a highway but shall not be operated at a speed in excess of that permitting a stop in 32 feet.

Repeal

SEC. 5. Section 670.3 of said code is hereby repealed.

Truck and
trailer
brakes

SEC. 6. Section 670.4 of said code is amended to read:

670.4. Truck and Trailer Brakes. (a) Any new motor vehicle first registered in this State after January 1, 1940, shall not exceed a gross weight of 14,000 pounds unless it is equipped with power brakes, except that any such vehicle having a gross weight of less than 18,000 pounds may, in lieu of power brakes, be equipped with two-stage hydraulic actuators of a type designed to increase braking effect of its brakes.

(b) After January 1, 1942, all motor vehicles shall be so equipped as to permit application of the brakes at least once for the purpose of bringing the vehicle to a stop within the legal stopping distance after the engine has become inoperative.

(c) Any new trailer or semitrailer, first registered in this State after January 1, 1940, and drawn by a truck and having a gross weight of 6,000 pounds or more and which is operated at a speed over 20 miles per hour shall be equipped with brakes, which brakes shall be adequate, supplemental to the brakes on the towing vehicle, to enable such combination of vehicles to comply with the requirements of Section 670. This subdivision shall not apply to such vehicles operated solely within the limits of incorporated cities.

SEC. 7. Section 670.5 of said code is amended to read:

670.5. Brakes on Trailer Coaches. Every trailer coach having a weight of 1,500 pounds or more equipped for the road but exclusive of passengers shall be equipped with brakes which can be controlled by the driver of the towing vehicle and which brakes shall be adequate, supplemental to the brakes on the towing vehicle, to enable such combination of vehicles to comply with the requirements of Section 670.

SEC. 8. Section 670.7 is added to said code, to read:

Brakes on
combinations
of vehicles

670.7. Operation of Brakes on Combinations of Vehicles.

(a) Power brakes on any trailer or semitrailer first registered after December 31, 1955, and required to be equipped with brakes shall be designed to be automatically applied upon breakaway from the towing vehicle and shall be capable of stopping and holding such vehicle stationary for not less than 15 minutes.

(b) Every new truck or truck tractor first registered after December 31, 1955, used in towing a vehicle shall be equipped with brakes capable of stopping the truck or truck tractor in the event of breakaway of the towed vehicle.

CHAPTER 918

An act to add Sections 10252.7, 10276.5, 10501.5, and 10516.5 to the Business and Professions Code, relating to nonresident licenses in the business opportunity and mineral, oil and gas business.

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7 1955

The people of the State of California do enact as follows:

SECTION 1. Section 10252.7 is added to the Business and Professions Code, to read:

10252.7. A nonresident of California may become a business opportunity broker by conforming to all of the provisions of this part: Business
opportunity
broker
Nonresident
applicant

SEC. 2. Section 10276.5 is added to the Business and Professions Code, to read:

10276.5. Every nonresident applicant for a business opportunity broker's license shall, along with his application, file with the commissioner an irrevocable consent that if in any action commenced against him in this State personal service of process upon him cannot be made in this State after the exercise of due diligence, a valid service may thereupon be made upon him by delivering the process to the Secretary of State. Consent to
service of
process

Insofar as possible, the provisions of Section 1018 of the Code of Civil Procedure, relating to service of process on the Secretary of State, are applicable to this section.

SEC. 3. Section 10501.5 is added to the Business and Professions Code, to read:

10501.5. A nonresident of California may become a mineral, oil and gas broker by conforming to all of the provisions of this part. Mineral,
oil and gas
broker
Nonresident
applicant

SEC. 4. Section 10516.5 is added to the Business and Professions Code, to read:

10516.5. Every nonresident applicant for a mineral, oil and gas broker's license shall, along with his application, file with the commissioner an irrevocable consent that if in any action commenced against him in this State personal service of process upon him cannot be made in this State after the exercise of due diligence, a valid service may thereupon be made upon him by delivering the process to the Secretary of State. Consent to
service of
process

Insofar as possible, the provisions of Section 1018 of the Code of Civil Procedure, relating to service of process on the Secretary of State, are applicable to this section.

CHAPTER 919

An act to add Section 19480.3 to the Business and Professions Code, relating to horse racing.

In effect
September
7, 1955

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19480.3 is added to the Business and Professions Code, to read:

19480.3. No person, firm, partnership, association, or corporation who is licensed under this chapter to conduct a horse racing meeting at any place, inclosure, or track shall own any stock or hold any financial interest in any other licensed place, inclosure, or track, or in the operation thereof or in the operation of licensed wagering on the results of races at any such other licensed place, inclosure, or track.

CHAPTER 920

An act to amend Section 19490 of the Business and Professions Code, relating to horse racing.

In effect
September
7, 1955

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19490 of the Business and Professions Code is amended to read:

19490. In order to encourage and develop harness racing, whenever a fair conducted by the State Agricultural Society, or a district or county fair conducts a program of horse races on which there is pari-mutuel wagering, it shall provide a program of harness racing on the same days that it provides a program of racing in which the horses participating are mounted by jockeys, if sufficient harness horses are available to provide competition in one or more harness races.

CHAPTER 921

An act to add Section 19540.5 to the Business and Professions Code, relating to horse racing.

In effect
September
7, 1955

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19540.5 is added to the Business and Professions Code, to read:

19540.5. The board shall allocate the racing days for the conduct of racing.

CHAPTER 922

An act to add Section 19568 to the Business and Professions Code, relating to horse racing.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 19568 is added to the Business and Professions Code, to read:

19568. All moneys imposed as penalties or fines by the stewards of a horse race meeting shall be collected by the licensee conducting the horse race meeting and paid within 10 days after the close of the meeting to the board, and the board shall deposit all such moneys in the State Treasury for the credit of the General Fund.

CHAPTER 923

An act to amend Section 19598 of the Business and Professions Code, relating to horse racing.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 19598 of the Business and Professions Code is amended to read:

19598. From and after the effective date of this section, any person claiming to be entitled to any part of a redistribution from a pari-mutuel pool operated by a licensee under this chapter, who fails to claim the money due him prior to the completion of the racing meet at which such pool was formed, may, within 60 days after the close of such meet file with the board a verified claim in such form as the board shall prescribe setting forth in detail the claim of such person and such other information as may be necessary to identify the particular pool and the amount claimed therefrom, together with a substantial portion of the pari-mutuel ticket upon which such claim is based sufficient to identify the particular track, race, and horse involved, the amount wagered, and whether the ticket was a win, place, or show ticket. The board shall hear such claim and proof offered in support thereof. Unless the claimant satisfactorily establishes his right to participate in such pool, such claim shall be rejected. If the claim be allowed, the licensee shall upon order of the board pay the same to the claimant. Ninety days after the close of any racing meet hereafter conducted any moneys subjected to this section not theretofore successfully claimed, shall be paid to the board and the board shall immediately pay such money into the State Treasury to the credit of the General Fund.

CHAPTER 924

An act to add Article 1.5 to Chapter 2, Part 1, Division 2, Title 5 of the Government Code, relating to pension trust benefit plans for local public employees.

In effect
September
7, 1955

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 1.5 is added to Chapter 2, Part 1, Division 2, Title 5 of the Government Code, to read:

Article 1.5. Pension Trusts

"Local
agency"

53215. "Local agency" as used in this article means a city, city and county, district, school district, municipal or public corporation, political subdivision, or other public agency of the State, or any instrumentality of one or more of any such agencies.

Establish-
ment of
pension trust

53216. The legislative body of a local agency may establish a pension trust funded by individual life insurance contracts, individual annuities, group policies of life insurance, or group annuities, or any one or combination of them, for benefit of its officers and employees who elect to accept the benefits of such plan and who authorize the legislative body to deduct their plan contributions from their compensation.

Payments for
premiums,
expenses

53217. From funds under its jurisdiction the legislative body may authorize payment to the trust of amounts equaling all or any portion of the premium due on such policies or contracts purchased by the trust. The legislative body may also authorize payment of amounts to cover the reasonable expenses of the administration of the trust. Such expenditures are charges against the funds of the agency making them.

Salary
deductions

53218. Any law prohibiting, restricting, or limiting the assignment of or order for wages or salary does not prohibit, restrict, or limit the powers conferred in this article nor the power of officers or employees to authorize and approve payment of trust contributions by wage and salary deductions.

Trustees,
agents, or
officers

53219. A pension trust established pursuant to this article shall have trustees, agents or officers who shall carry on the business of the pension trust. The by-laws or declaration of trust shall prescribe the manner in which and the officers or agents by whom the pension trust may be conducted and the manner in which its funds shall be collected and disbursed. The funds and investments of a pension trust shall be held separately and independently of the funds and investments of the employer and of any other person.

Participation
voluntary

53220. This article does not make it compulsory upon an officer or employee of a local agency to accept or join in any pension trust plan or to authorize deductions from their wages or salary as contributions toward such plan.

CHAPTER 925

An act to add Section 3606.1 to the Public Resources Code, relating to oil and gas.

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3606.1 is added to the Public Resources Code, to read:

3606.1. The 150-foot restriction in Sections 3600 and elsewhere in this chapter shall apply only to wells drilled and producing from the same zone or pool; provided, however, that the well density shall not exceed one well per acre unless the supervisor shall determine that more than one zone or pool underlies the property and that it is not practical to produce from all of such zones or pools from a single well per acre and that such other zones or pools are being drained by offset wells. In such cases only, a maximum density of two wells per acre may be approved. These exceptions to the general spacing rule shall apply also to properties qualifying under Sections 3602 and 3606.

CHAPTER 926

An act to amend Section 595 of the Code of Civil Procedure, relating to extension of time and continuances in civil and administrative actions and proceedings.

[Approved by Governor June 3, 1955 Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 595 of the Code of Civil Procedure is amended to read:

595. The trial of any civil action, or proceeding in a court, or of any administrative proceeding before a state board or commission or officer, irrespective of the date of the filing thereof or when it became at issue, or the hearing of any motion, demurrer, or other proceeding, shall be postponed when it appears to the court, board, commission, or officer before which such action or proceeding is pending that either a party thereto, or any attorney of record therein (whether he became an attorney of record before or after the commencement of a legislative session or before or after his appointment to a legislative committee), or a principal witness, is a Member of the Legislature of this State and that the Legislature is in session or in recess (not exceeding a recess of forty (40) days) or that a legislative interim committee of which he is a duly appointed member is meeting, or is to meet within a period which the court finds does not exceed the time reasonably

Postpone-
ment of
court action
Party, etc.
Member of
Legislature

necessary to enable the member to reach the committee meeting by the ordinary mode of travel. When the Legislature is in session or in recess such action or proceeding shall not, without the consent of the attorney of record therein, be brought on for trial or hearing before the expiration of thirty (30) days next following final adjournment of the Legislature or the commencement of a recess of more than forty (40) days. If a date is available during recess, continuance shall be given if possible to such earlier date. When a legislative committee is meeting or is to meet within a period which the court finds does not exceed the time reasonably necessary to enable the member to reach the committee meeting by the ordinary mode of travel, such action or proceeding shall not, without the consent of the attorney of record therein, be brought on for trial or hearing before the expiration of such period necessary following the adjournment or recess of the committee meeting as the court finds is reasonably necessary to enable the member to reach the place of trial or hearing by the ordinary mode of travel from the place of the committee meeting, unless at the expiration of that period the Legislature is to be in session; and in that case the action or proceeding shall not, without such consent, be brought on for trial or hearing before the expiration of thirty (30) days next following final adjournment or the commencement of a recess of more than forty (40) days. If a date is available during the recess, continuance shall be given to such earlier date.

Absence of
evidence

A motion to postpone a trial on the ground of the absence of evidence can only be made upon affidavit showing the materiality of the evidence expected to be obtained, and that due diligence has been used to procure it. The court may require the moving party, where application is made on account of the absence of a material witness, to state upon affidavit the evidence which he expects to obtain; and if the adverse party thereupon admits that such evidence would be given, and that it be considered as actually given on the trial, or offered and overruled as improper, the trial must not be postponed.

Stipulation

In all cases, the court shall postpone a trial, or the hearing of any motion or demurrer, for a period not to exceed thirty (30) days, when all attorneys of record of parties who have appeared in the action agree in writing to such postponement.

Actions
involving
mining
claims

In actions involving the title to mining claims, or involving trespass for damage upon mining claims, if it be made to appear to the satisfaction of the court that, in order that justice may be done and the action fairly tried on its merits, it is necessary that further developments should be made, underground or upon the surface of the mining claims involved in such action, the court shall grant the postponement of the trial of the action, giving the party a reasonable time in which to prepare for trial and to do said development work.

CHAPTER 927

An act to amend Section 988.2 of the Military and Veterans Code, relating to veterans' benefits.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 988.2 of the Military and Veterans Code is amended to read:

988.2. Out of any money available in the Veterans' Farm and Home Building Fund of 1943, the department may advance to any purchaser upon his application, and under such policies as the department may, from time to time, prescribe, sums for the purpose of paying taxes and assessments, or making permanent improvements, or keeping in good order or repair, or for painting, redecorating or remodeling, all buildings, fences or other permanent improvements on, or the insuring against fire or other hazards, any building, fence or other permanent improvements or crops on the property being purchased from the department, or the department may advance to any such purchaser moneys actually expended in so doing.

All the money advanced to a purchaser by the department shall be added to the deferred principal of the purchaser's account and bear interest at the same rate and shall be repaid by the purchaser to the department under such conditions as it may prescribe.

The moneys advanced may, in the discretion of the department, be in addition to the maximum purchase price of a farm or home as limited by the provisions of Sections 986.4 and 986.5 of this code.

The department shall be the sole judge of the need and desirability of making such advances.

CHAPTER 928

An act to amend Sections 4200 and 4201 of the Health and Safety Code and to add Section 25827 to the Government Code, relating to the power of counties to collect, contract for the collection of, and to grant franchises for the collection of combustible and noncombustible rubbish and garbage, declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 3, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 4200 of the Health and Safety Code is amended to read:

Grant of
franchise

4200. Every franchise or privilege for the collection, disposal or destruction, or any combination thereof, of garbage, waste, offal, and debris, shall be granted by the board of supervisors of any county only under the terms and conditions of this chapter.

Resolution

SEC. 2. Section 4201 of said code is amended to read:

4201. Any county may, by resolution of the board of supervisors, call for bids for the granting of a franchise, exclusive or otherwise, for the collection, disposal or destruction, or any combination thereof, of garbage, waste, offal, and debris, according to the terms and conditions set forth in the resolution, for a period of time not to exceed 25 years.

Notice

Thereafter the board of supervisors shall cause to be published once a week for two successive weeks a notice which shall set forth all of the terms and conditions embraced in the resolution and the time, date, and place for the receiving and opening of sealed bids which shall not be sooner than four full weeks from date of the first publication of the notice.

Bids

Upon examination by the board of supervisors of the bids, the franchise may be awarded to the best bidder. The board of supervisors may postpone the granting of the franchise from time to time until it has had a full and complete opportunity to examine into the merits of each bid.

SEC. 3. Section 25827 is hereby added to the Government Code, to read:

Counties
with
population
exceeding
3,000,000

25827. In any county having a population in excess of 3,000,000 the board of supervisors may collect or contract for the collection, or both, of garbage, waste, refuse, rubbish, offal, trimmings, or other refuse matter under such terms and conditions as may be prescribed by the board of supervisors by resolution or ordinance. For such purposes the board of supervisors may levy a yearly tax on property within the unincorporated area of the county, excluding territory within existing garbage disposal districts.

Urgency

SEC. 4. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of Section 1 of Article IV of the Constitution, and shall therefore go into effect immediately. A statement of the facts constituting such necessity is as follows:

The County of Los Angeles is within a mountain-rimmed basin affected with a condition of temperature inversion particularly prevalent during the summer and early fall months. Airborne accumulations of gases and solids are confined by such topographical and meteorological conditions and during such periods constitute a serious menace to the health, safety and welfare of the persons residing therein. It has been determined that the incineration of rubbish in single chamber incinerators is a substantial contributing factor to such pollutants and accordingly the control thereof is essential. The effectiveness of such control is conditioned upon the ability of the county to provide either directly, through contract, or by

franchise an adequate rubbish collection service within unincorporated territory. The county is without such powers, and absent urgency legislation will be powerless to take effective measures against such pollutants during the forthcoming summer period of high inversion.

CHAPTER 929

An act to amend Section 1254 of the Code of Civil Procedure, relating to condemnation of property for the use of school districts.

[Approved by Governor June 4, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1254 of the Code of Civil Procedure is amended to read:

1254. At any time after trial and judgment entered or pending an appeal from the judgment to the Supreme Court, whenever the plaintiff shall have paid into court, for the defendant, the full amount of the judgment, and such further sum as may be required by the court as a fund to pay any further damages and costs that may be recovered in said proceeding, as well as all damages that may be sustained by the defendant, if, for any cause, the property shall not be finally taken for public use, the superior court in which the proceeding was tried may, upon notice of not less than 10 days, authorize the plaintiff, if already in possession, to continue therein, and if not, then to take possession of and use the property during the pendency of and until the final conclusion of the litigation, and may, if necessary, stay all actions and proceedings against the plaintiff on account thereof. In an action for condemnation of property for the use of a school district, an order so authorizing possession or continuation of possession by such school district is not appealable. The defendant, who is entitled to the money paid into court for him upon any judgment, shall be entitled to demand and receive the same at any time thereafter upon obtaining an order therefor from the court. It shall be the duty of the court, or a judge thereof, upon application being made by such defendant, to order and direct that the money so paid into court for him be delivered to him upon his filing a satisfaction of the judgment, or upon his filing a receipt therefor, and an abandonment of all defenses to the action or proceeding, except as to the amount of damages that he may be entitled to in the event that a new trial shall be granted. A payment to a defendant, as aforesaid, shall be held to be an abandonment by such defendant of all defenses interposed by him, excepting his claim for greater compensation. In ascertaining the amount to be paid into court, the court shall take care that the same be sufficient and ade-

Putting
plaintiff in
possession
pending
conclusion
of litigation

Order
authorizing
possession
by school
district not
appealable

quate. The payment of the money into court, as hereinbefore provided for, shall not discharge the plaintiff from liability to keep the said fund full and without diminution; but such money shall be and remain, as to all accidents, defalcations, or other contingencies (as between the parties to the proceedings), at the risk of the plaintiff, and shall so remain until the amount of the compensation or damages is finally settled by judicial determination, and until the court awards the money, or such part thereof as shall be determined upon, to the defendant, and until he is authorized or required by rule of court to take it. If, for any reason, the money shall at any time be lost, or otherwise abstracted or withdrawn, through no fault of the defendant, the court shall require the plaintiff to make and keep the sum good at all times until the litigation is finally brought to an end, and until paid over or made payable to the defendant by order of court, as above provided, and until such time or times the county clerk shall be deemed to be the custodian of the money, and shall be liable to the plaintiff upon his official bond for the same, or any part thereof, in case it be for any reason lost or otherwise abstracted or withdrawn. The court may order the money to be deposited in the State Treasury, and in such case it shall be the duty of the State Treasurer to receive all such moneys, duly receipt for, and to safely keep the same in a special fund, to be entered on his books as a condemnation fund for such purpose, and for such duty he shall be liable to the plaintiff upon his official bond. The State Treasurer shall pay out such money so deposited in such manner and at such times as the court or a judge thereof may, by order or decree, direct. In all cases where a new trial has been granted upon the application of the defendant, and he has failed upon such trial to obtain greater compensation than was allowed him upon the first trial, the costs of such new trial shall be taxed against him.

CHAPTER 930

An act to amend Sections 1603, 1628, 1651, 1670, 1679, 1723, and 1747, and to repeal Section 1745 of the Business and Professions Code, relating to the practice of dentistry and dental hygiene and the administration of the laws relating thereto.

In effect
September
7, 1955

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1603 of the Business and Professions Code is amended to read:

1603. Members of the board shall be appointed by the Governor for a term of four years, and each member shall hold office until the appointment and qualification of his suc-

Board of
Dental
Examiners
Appoint-
ment, terms,
etc., of
members

cessor or until six months shall have elapsed since the expiration of the term for which he was appointed, whichever first occurs.

The terms of the members of the board in office when this chapter takes effect shall expire as follows: two members, January 15, 1938; one member, January 15, 1939; two members, January 15, 1940; and two members, January 15, 1941. The terms shall expire in the same relative order as to each member as the term for which he holds office before this chapter takes effect.

A vacancy occurring during a term shall be filled by appointment for the unexpired term, within 30 days after it occurs.

No person shall serve as a member of the board for more than two terms, but this provision shall not prevent any member from completing any term of office in which he may be serving at the time this limitation takes effect.

SEC. 2. Section 1628 of said code is amended to read:

1628. Any person over 21 years of age is eligible to take an examination before the board upon making application therefor and:

Qualifications of applicant

(a) Paying the fee for applicants for examination provided by this chapter;

(b) Furnishing satisfactory testimonials of good moral character;

(c) Furnishing satisfactory evidence of having graduated from a reputable dental college, which shall have been approved by the board; provided, also, that applicants furnishing evidence of having graduated after 1921 shall also present satisfactory evidence of having completed at such dental school or schools the full number of academic years of undergraduate courses required for graduation.

SEC. 3. Section 1651 of said code is amended to read:

1651. Any dentist who removes his place of practice shall register each change made by him within one month after making said change. In the event any licensed dentist fails to notify the board of any change in the address of his place of practice within the time prescribed by this section, the board shall not renew such person's license until the penalty fixed by this chapter is paid. An applicant for the annual renewal of a license to practice dentistry shall specify in his application whether he has changed the address of his place of practice during the previous year, and if so, the date of such change, and the board may accept such statement as evidence of such fact. When any licentiate hereunder desires to have more than one place of practice, he shall, prior to the opening of any additional office, make application therefor to the State Board of Dental Examiners on a form prescribed by the board and receive permission in writing from said board to have such additional place of practice. The board shall have power to carry out the provisions of this section by uniform rules and regulations.

Place of practice
Notice of change,
additional places

SEC. 4. Section 1670 of said code is amended to read:

Revocation,
etc., of
license Un-
professional
conduct, etc

1670. Any dentist may have his license revoked or suspended or be reprimanded or be placed on probation by the board for unprofessional conduct and any licentiate under this chapter may have his license revoked or suspended or be reprimanded or placed on probation for gross ignorance or inefficiency in his profession, or for any other cause applicable to the licentiate provided in this chapter. The proceedings under this article shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted therein.

SEC. 5. Section 1679 of said code is amended to read:

Conviction of
felony, etc

1679. Any licentiate under this chapter may have his license revoked or suspended or be reprimanded or be placed on probation by the board for conviction of a felony or misdemeanor involving moral turpitude, in which case the record of conviction or a certified copy thereof, certified by the clerk of the court or by the judge in whose court the conviction is had, shall be conclusive evidence.

The board shall undertake proceedings under this section upon the receipt of a certified copy of the record of conviction. A plea or verdict of guilty or a conviction following a plea of nolo contendere made to a charge of a felony or of any offense involving moral turpitude is deemed to be a conviction within the meaning of this section. The board may order the license suspended or revoked, or may decline to issue a license, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment.

SEC. 6. Section 1723 of said code is amended to read:

Fines, etc.,
paid to
secretary

1723. All fines, penalties and forfeitures including the examination fee imposed or collected by the board under any provision of this chapter shall be paid to the secretary.

Fee schedule

The amount of charges and fees for dentists prescribed by this chapter is that fixed by the following schedule:

(a) The fee for applicants for examination shall be that fixed annually by the board in an amount not less than twenty-five dollars (\$25) and not more than fifty dollars (\$50). Applicants who are found to be ineligible to take the examination shall be entitled to a refund in an amount annually fixed by the board.

(b) The annual license fee is seven dollars (\$7) but the board may reduce the fee to not less than three dollars (\$3).

(c) The restoration fee for a license forfeited for the non-payment of the annual fee is ten dollars (\$10).

(d) The restoration fee for a license forfeited for non-registration is twenty-five dollars (\$25).

(e) The penalty for late registration of change of place of practice is ten dollars (\$10).

SEC. 7. Section 1745 of said code is repealed.

Repeal

SEC. 8. Section 1747 of said code is amended to read:

1747. The board may take action under Article 4 of this chapter against any licensed dentist who shall permit any dental hygienist operating under his supervision to perform any operation other than that permitted under the provisions of this article, and the board may also take action under said article against any dental hygienist violating the provisions of this article. The proceedings shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted therein

Dentist and
dental
hygienist
licenses
Revocation,
etc

CHAPTER 931

An act to amend Section 1191 of, and to add Section 1191.3 to the Military and Veterans Code, relating to the powers of memorial districts.

[Approved by Governor June 6, 1955. Filed with Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1191 of the Military and Veterans Code is amended to read:

1191. Every district may:

Powers
Halls

(a) Provide and maintain memorial halls, assembly halls, buildings, or meeting places for the use of veteran soldiers, sailors and marines who have honorably served the United States in any wars or campaigns recognized by law for the purposes of Section 14 of Article XIII of the Constitution, or for the use of patriotic, fraternal, or benevolent associations of such persons.

(b) Purchase, receive by donation, condemn, lease, or acquire real or personal property necessary or convenient for the construction or maintenance of such halls, buildings and meeting places and improve, preserve, manage and control the same.

Acquisition
of property

(c) Purchase, construct, lease, build, furnish, or repair such halls, buildings and meeting places upon sites owned or leased by the district or made available to the district; and provide custodians, employees, attendants, and supplies for the proper maintenance, care and management thereof.

Construction,
main-
tenance etc

(d) Furnish sites for such halls, buildings, or meeting places, to be built either by the district or by or for patriotic, fraternal or benevolent associations of veterans, the funds for such sites to be supplied by the district or from other sources.

Sites

(e) Enter into agreements with county, municipal, school, park, or other public authorities or agencies, conveying, leasing, or making available to the district either gratuitously or

Agreements
with other
agencies

for compensation, sites upon public lands, for the construction, maintenance, and management thereon by the district of such assembly or memorial halls, buildings or meeting places; and construct and maintain thereon such halls, buildings or meeting places.

(f) Sell or lease any district property; provided, that any sale or lease shall be to the highest responsible bidder as determined by the board, except as provided in Section 1191.3. The board shall, prior to any sale, make a call for bids and advertise such call by three (3) insertions in a daily newspaper of general circulation in the district or two (2) insertions in a weekly newspaper of general circulation in the district inviting sealed bids for the sale or lease of the property. The board may either accept the highest responsible bid or reject all bids. The board may require the successful bidder to file with the board good and sufficient undertaking to be approved by the board to insure faithful performance of the contract of sale or lease. No sales or lease shall be transacted, however, if a petition has been filed with the board requesting them not to enter into the sales or leasing of the property. Such petition shall:

(1) Have affixed thereto, as petitioners, the signatures, indicating place of residence and place of signing, of the electors of the district in a number equal to at least ten percent (10%) of the votes cast in the district at the last preceding general election held in the State.

(2) Should the petition be found to meet the requirements of (1) above, as determined by the records of the county clerk or registrar of voters for the county or counties in which said district lies, the board shall not convey the property or shall submit to the electors of the district to be voted upon at the next primary or general election, or at a special election called for the purpose to ratify or reject the action of the district to sell or lease the property.

(g) Sell or lease any district property to any political subdivision in which the district lies, or any portion thereof, to be used for the purpose of roads, streets or highways, or for the improvements thereof, without regard to the highest responsible bidder but otherwise meeting the requirements in paragraphs (1) and (2) of subdivision (f) above.

(h) Adopt, from time to time, reasonable rules and regulations for the use of such halls, buildings and meeting places by veterans or by organizations thereof, and when incidental to such uses, allow such halls, buildings and meeting places to be used for lawful purposes consistent with the objects hereof by persons or organizations other than veterans either free of charge or for stated compensation to aid in defraying the cost of maintenance thereof.

SEC. 2. Section 1191.3 is added to said code, to read:

1191.3. When the district desires to sell real property that was donated to the district by a city or county, the district shall offer to reconvey it to the city or county before selling

Sale or
lease of
property.

Bids,
notice

Petition to
prohibit sale
or lease

Sale or lease
of property
for roads,
etc

Rules and
regulations

Sale of real
property
previously
donated,
owned, etc.,
by city or
county, etc

it and shall reconvey it if the city or county agrees to accept it. If the property was sold to the district by a city or county, or was given or sold by a private person, or his successors in interest as determined by the district, the district shall offer to reconvey it at the then market price as determined by it, before selling it to any other person. In any case no sale or other use of the real property shall be made which is contrary to the provisions of any instrument under which the district holds title to or any interest in the property.

CHAPTER 932

An act to add Section 7125.1 to, and to amend Sections 8755 and 8762 of, the Education Code, relating to apportionments for junior high schools, declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 7125.1 is added to the Education Code, to read:

7125.1. The Superintendent of Public Instruction shall withhold from the apportionment to an elementary school district the amount allowed the elementary school district for the average daily attendance in grades 7 and 8 in a junior high school by reason of the operation of subdivision (a) of Section 7000. The amount withheld shall be the larger of the following amounts:

(a) One hundred twenty dollars (\$120) per unit of average daily attendance in grades 7 and 8 of the junior high school.

(b) An amount determined by the following process:

(1) Divide the district aid computed under Section 7081 or the amount which would have resulted had the tax used for such computation been eighty cents (\$.80), whichever amount was used in computing equalization aid apportioned to the district, by the units of average daily attendance in kindergarten and grades 1 through 8;

(2) Subtract the quotient resulting from the computation in subparagraph (1) from the amount allowed per unit of average daily attendance as a foundation program for units of average daily attendance in grades 7 and 8 in the district;

(3) Multiply the result obtained in subparagraph (2) by the units of average daily attendance in grades 7 and 8 in a junior high school.

The Superintendent of Public Instruction shall add the amount withheld to the apportionment required to be made to the high school district maintaining the junior high school

SEC. 2. Section 8755 of the Education Code is amended to read:

Tuition for
junior high
schools

8755. The governing board of any elementary school district situated within a high school district maintaining a junior high school shall permit pupils who have completed the sixth year of the elementary school to attend the junior high school and shall pay to the high school district for the education of the pupils a tuition charge which shall be fixed by the governing board of the elementary school district but shall not be less than the average net cost of educating pupils in the first six grades of the elementary schools of the elementary school district, less the amount of any apportionments withheld from the said elementary school district and added to said high school district pursuant to Section 7125.1, but not more than the actual net cost to the high school district of educating such pupils, less the amount of any apportionments withheld from said elementary school district and added to said high school district pursuant to Section 7125.1.

SEC. 3. Section 8762 of the Education Code is amended to read:

Tuition rate

8762. The board of school trustees shall not pay a tuition charge greater than the average net cost per pupil for educating pupils in the first six years of the elementary school district in which they reside, as ascertained by the county superintendent of schools, less the amount of any apportionments withheld from said elementary school district and added to said high school district pursuant to Section 7125.1, and the tuition charge shall cease to be paid after the pupil has completed two years of work in the junior high school.

Urgency

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Present provisions of the Education Code require apportionments for the attendance of seventh and eighth grade pupils in a junior high school maintained by a high school district to be made to the elementary school district in which the seventh and eighth grade pupils reside. This provision has caused hardship to the high school district because in many instances the high school district did not receive tuition payments from the elementary school district. This bill will correct this situation.

It is, therefore, necessary that this act take effect immediately in order that apportionments for attendance of junior high school pupils may be made directly to high school districts during the 1955-56 Fiscal Year.

Operative
date

SEC. 3. This act shall become operative on July 1, 1955.

CHAPTER 933

An act to repeal Sections 1047, 5010 (as added by Chapter 533, Statutes 1953), 9196, 19310, and 19627 of, and to amend Sections 5010 (as added by Chapter 1028, Statutes 1953), 5902, and 16143 of the Education Code, relating to audits and the Public School System.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1047 of the Education Code is re- Repeal
pealed.

SEC. 2. Section 5010 (as added by Chapter 533, Statutes Repeal
1953) is repealed.

SEC. 3. Section 5010 (as added by Chapter 1028, Statutes
1953) is amended to read:

5010. Not later than the first day of June of each fiscal Annual
audit
year each county superintendent of schools shall provide for
an audit of all funds under his jurisdiction and control and
the governing board of each district shall either provide for an
audit of the books and accounts of the district or make arrange-
ments with the county superintendent of schools having juris-
diction over the district to provide for such auditing. In the
event the governing board of a school district has not pro-
vided for an audit of the books and accounts of the district by
May 1st, the county superintendent of schools having juris-
diction over the district shall provide for the audit.

Each audit shall include all funds of the district including
the student body and cafeteria funds and accounts and any
other funds under the control or jurisdiction of the district.

The cost of the audits provided for by the county superin-
tendent of schools shall be paid from the county school service
fund and the county superintendent of schools shall transfer
the pro rata share of the cost chargeable to each district from
district funds.

The cost of the audit provided for by a governing board
shall be paid from district funds. The audit of the funds under
the jurisdiction and control of the county superintendent of
schools shall be paid from the county school service fund.

The audits shall be made by a certified public accountant
or a public accountant, licensed by the State Board of Ac-
countancy. Not later than December 31st, a report of each
audit for the preceding fiscal year shall be filed with the
county clerk and the county superintendent of schools of the
county in which the district is located, the Department of
Education and the Department of Finance. The Superintend-
ent of Public Instruction shall make any adjustments neces-
sary in future apportionments of state funds, to correct any
discrepancies revealed by such audit reports under the provi-
sions of Section 7190 of this code.

If a governing board or county superintendent of schools fails or is unable to make satisfactory arrangements for audit pursuant to this section, the Department of Finance may make arrangements for the audit and the cost of such audit shall be paid from school district funds or the county school service fund as the case may be.

The Department of Finance with the cooperation of the Department of Education shall prescribe the statements and other information to be included in the audit reports filed with the State. The Department of Finance may make such audits, surveys and reports, and may develop suggested procedures for carrying out the purposes of this section, as in the judgment of the department will serve the best interests of the State.

Nothing in this section shall be considered as authorizing examination into or report on the curriculum used or provided for in any school district.

SEC. 4. Section 5902 of said code is amended to read:

Bond of
officer

5902. (a) Except as otherwise provided in subdivision (b) of this section, the officer for whose use the revolving cash fund is created shall file with the governing body of the district a bond in favor of the district, executed by him as principal and by a surety company authorized under the laws of the State to execute bonds as surety, in an amount not less than double the amount of the revolving cash fund. The bond shall be conditioned upon the faithful administration of the revolving cash fund and upon the willingness and ability of the principal to account for and pay over the revolving cash fund at any time upon the demand of the governing board of the district. The premium on the bond shall be a legal charge against the district, payable from the funds of the district.

(b) In lieu of the bond required by subdivision (a) of this section, an officer may be bonded as provided by Section 5006.

SEC. 5. Section 16143 of said code is amended to read:

Supervision
of student
body funds

16143. The governing board of any school district shall provide for the supervision of all funds raised by any student body or student organization using the name of the school.

The cost of supervision may constitute a proper charge against the funds of the district.

The governing board of a school district may also provide for a continuing audit of student body funds with school district personnel.

Repeal

SEC. 6. Sections 9196, 19310, and 19627 of said code are repealed.

CHAPTER 934

An act to amend the title of Article 4 of Chapter 8 of Division 3 of, to amend Sections 5003, 5007, 5961, 5968, and 6301 of, to repeal Sections 5962, 5963, 5964, 5965, 5966, and 5967 of, and to add Sections 5962 and 5963 to, the Education Code, relating to school funds.

[Approved by Governor June 6, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The title of Article 4 of Chapter 8 of Division 3 of the Education Code is amended to read:

Article 4. Special Reserve Fund

SEC. 2. Section 5003 of said code is amended to read:

5003 All moneys received by any school district or paid into the county or city and county treasury to the credit of the district from state apportionments, county, district or municipal taxes, other than moneys required to be placed in a special reserve fund, a building fund or bond interest and sinking fund, and moneys authorized to be paid into a cafeteria fund or account, shall be deposited in the general fund of the district, which fund is continued in existence in each county and city and county treasury.

Deposits in
district
general fund

Nothing in this section shall be construed as discontinuing, nor as affecting the disposition of moneys in emergency cash funds, in revolving funds for warehouse stock, in cafeteria funds or accounts, in special reserve funds, in building funds, or in bond interest and sinking funds created or established under this code.

SEC. 3. Section 5007 of said code is amended to read:

5007. The governing board of any school district which now has, or hereafter shall have, funds in a special reserve fund of the district or any surplus moneys not required for the immediate necessities of the district, is hereby authorized to invest all or any part of such funds in bonds, notes, bills or certificates issued by the United States of America. Any bonds, notes, bills or certificates so purchased may be sold and the proceeds reinvested in similar bonds, notes, bills or certificates of the United States of America or placed in the county treasury for credit to the fund of the district from which purchased. This section shall not be construed as in any way limiting or modifying the application of any other law providing for or authorizing the investment of any funds of a school district. Notwithstanding any other provision of law, interest earned on funds representing the proceeds of bonds of the district shall be deposited and retained in the interest and sinking fund of the district to meet the principal and interest falling due on such bonds.

Investment
of funds

SEC. 4. Section 5961 of said code is amended to read:

Accumulation of funds 5961. The governing board of a school district may provide for the accumulation over a period of school years of funds for capital outlay purposes derived from the receipts of taxes levied for the district and from other sources, including balances, and not required to be used for other than capital outlay purposes.

Repeal SEC. 5. Sections 5962, 5963, 5964, 5965, 5966, and 5967 of said code are repealed.

SEC. 6. Section 5962 is added to said code, to read:

Establishment of special reserve funds 5962. Upon the filing of identical copies of a resolution of the governing board with the superintendent of schools, auditor, and treasurer of the county specifying the purpose or purposes of a special reserve fund, the fund shall be established for such purpose or purposes. From time to time thereafter, the governing board may file identical copies of resolutions specifying additional purposes of the fund or withdrawing any purpose previously designated. The auditor and treasurer shall transfer from the general fund to the special reserve fund of the district such amounts as may be specified by the governing board during the fiscal year.

SEC. 7. Section 5963 is added to said code, to read:

Expenditure 5963. The governing board may expend the money in the fund for the purpose or purposes specified in any resolution filed pursuant to Section 5962 unless the purpose has been withdrawn pursuant to that section.

SEC. 8. Section 5968 of said code is amended to read:

Transfer 5968. Any moneys remaining in the special reserve fund of the district shall be transferred to the general fund of the district by the auditor and treasurer upon written request to the superintendent of schools, auditor, and treasurer of the county by the governing board of the district, and the auditor and treasurer shall discontinue the special reserve fund.

SEC. 9. Section 6301 of said code is amended to read:

Tentative budget 6301. (a) On or before the first day of July in each year, the governing board of each school district shall file with the county superintendent of schools a tentative budget showing all the purposes for which the school district will need money and the estimated amount of money that will be needed for each purpose for the ensuing fiscal year. These purposes shall be classified to set forth the data by functions and objects of expenditure within the major classifications of administration, instruction, operation of plant, maintenance of plant, auxiliary services, community services, capital outlay, and such additional major classifications as may be prescribed by the Superintendent of Public Instruction and expenditures proposed to be made from bonds or other income not yet authorized. Within the major classifications of administration, instruction, operation of plant, maintenance of plant, auxiliary agencies, and community services there shall be set forth as separate entries the amount of proposed expenditures for salaries and wages and maintenance and operation and such additional intermedi-

ate classification as may be prescribed by the Superintendent of Public Instruction. Proposed capital outlay appropriations shall be set forth by land, building, and equipment classifications. Wherever a district has a special reserve fund, as provided in Article 4 of Chapter 8 of this division, the amount in such fund at the end of the last preceding fiscal year, and the amount to be added during the ensuing fiscal year, shall be shown.

(b) The tentative budget shall also contain an amount to be known as the general reserve in such sum as the governing board may deem sufficient, for the next succeeding fiscal year, to meet the cash requirements to which the district's credit may be legally extended for that portion of said next succeeding fiscal year until adequate proceeds of the taxes levied for, or apportionment of state funds made to, the district during such succeeding fiscal year are available to the district.

(c) The tentative budget may also contain an amount to be known as the undistributed reserve. The funds in the undistributed reserve shall be available for appropriation by a two-thirds vote of the members of the governing board, to cover expenditures that have not been provided for or that may have been insufficiently provided for, or for unforeseen requirements as they may arise.

SEC. 10. Any balances remaining in the special accumulative building fund after the effective date of this act shall be transferred by the auditor and treasurer of the county to the general fund or the special reserve fund as specified by the governing board of the district.

Transfer
from special
accumulative
building fund

CHAPTER 935

An act to amend Sections 1390 and 1401, and the title of Article 6 of Chapter 3, Part 2, Division 1, of the Insurance Code, relating to reciprocal insurers.

[Approved by Governor June 6, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The title of Article 6 of Chapter 3, Part 2, Division 1 of the Insurance Code is amended to read:

Article 6. Assessment of Insurers

SEC. 2. Section 1390 of the Insurance Code is amended to read:

1390. The provisions of this article shall apply only to exchanges writing liability, common carrier liability or workmen's compensation insurance, except that any exchange may apply for and receive the certificate provided for by Section 1401.

Applica-
bility

SEC. 3. Section 1401 of the Insurance Code is amended to read:

Certification
of surplus by
commissioner

1401. If an exchange has a surplus of admitted assets over all liabilities in a sum equal to one and one-half times the minimum paid-in capital required of incorporated insurers issuing policies on a reserve basis and doing the same classes of insurance, then the Insurance Commissioner, upon written request, shall issue his certificate stating such fact. Subscribers at an exchange so certified shall have no liability for assessment on policies issued while such certificate remains in effect. Whenever the commissioner finds such fact does not exist, he shall revoke and require the surrender of his certificate. Upon revocation of such certificate no policy shall thereafter be issued nor be permitted to remain in force beyond the date fixed for the next payment of premium without written indorsement thereon providing for assessment liability in accordance with the terms of this chapter.

CHAPTER 936

An act to amend Sections 9201, and 9204 of the Public Resources Code, relating to soil conservation districts.

In effect
September
7, 1955

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 9201 of the Public Resources Code is amended to read:

Nomination
for director

9201. Not less than 60 days prior to the election, any five or more electors in the district may file with the board of supervisors of the county in which is situated all or the greatest portion of the land in the district a petition requesting that the names of certain persons specified in the petition be placed upon the ballot as candidates for the office of director. Each person nominated shall be an owner of land within the district.

SEC. 2. Section 9204 of said code is amended to read:

Noncontested
elections.
Failure to
nominate

9204. If on the fiftieth day prior to the day fixed for the general soil conservation district election it appears that one person but not more than one, or that no person, has been nominated for each of the positions of director, which are to be filled at that election and that a petition, signed by not less than 5 percent of the registered voters in the district requesting that the general soil conservation district election in the district be held, has not been presented to the board of supervisors of the principal county, an election shall not be held, but the board of supervisors of the principal county at a regular, adjourned, or special meeting held prior to the day fixed for said election shall appoint to each of said positions the person who has been nominated for such position, or if no person has been nominated, any qualified person. The persons so appointed shall qualify, take office and serve exactly as if elected at a general soil conservation district election.

In such instances a notice that no election is to be held but that the board of supervisors will appoint those nominated, or qualified persons if none have been nominated, for said positions of director, shall be published at least five days prior to the date upon which said election would have been held.

CHAPTER 937

An act to amend Section 1194.8 of the Insurance Code, relating to insurance.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1194.8 of the Insurance Code is amended to read:

1194.8. Excess fund investments may be made by a life insurer in real estate and leases thereof and in making improvements thereon for business or residential purposes as an investment for the production of income. The phrase "business or residential purposes" shall not include real estate or leases primarily intended for use or valued as agricultural, horticultural, farm, ranch or mineral property. Any such investment may be made only by admitted insurers having admitted assets aggregating in value not less than twenty-five million dollars (\$25,000,000). Real estate and leases acquired and improvements made thereon under this section shall not exceed in the aggregate an amount equal to 10 percent of the insurer's admitted assets. Real estate and leases acquired under this section shall be in addition to that which is authorized to be acquired under the provisions of paragraphs (a) to (h) inclusive of Section 1150. Except upon the prior approval in writing of the commissioner, an investment may not be made under the authority of this section if at the time of the making of such investment it would result in the insurer then owning real estate and leases thereof, other than of the kind and for the purposes described in paragraphs (a), (b) and (f) of Section 1150, in an amount exceeding 10 percent of the insurer's admitted assets. Any investment in a single parcel of real estate or in a single leasehold including improvements thereon made under the authority of this section shall not be made in an amount in excess of 1 percent of the insurer's admitted assets. A lease eligible for purchase hereunder shall be for a term which at the date of purchase shall not expire for at least 24 years. Percentage or dollar value of assets as provided herein shall be determined by the insurer's last preceding annual statement of conditions and affairs made as of the December 31st last preceding and which has been filed with the commissioner pursuant to law.

CHAPTER 938

An act to add Sections 23051, 23052, 23053, 23054, 23055, 23056, 23057 and 23058 to, and to amend Sections 23186a, 23225 and 23333 of, and to add Section 23504 to, and to amend Sections 23701a, 23731a, 23732, 23732h, 23735 and 23736.1 of, and to repeal Chapters 5 to 9, inclusive, comprising Sections 23851 to 25295a, inclusive, of, and to add Chapters 5 to 18, inclusive, comprising Sections 24251 to 25207, inclusive, to, and to renumber Chapters 10 to 15, inclusive, of, and to amend Section 25403, 25675, 25901c, 25902, 25931, 26073a, 26073b and 26134 of Part 11 of Division 2 of the Revenue and Taxation Code, relating to the taxation of banks, corporations, associations and Massachusetts trusts, and providing that this act shall take effect immediately.

In effect
inmediately

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 23051 is added to the Revenue and Taxation Code, to read:

"Bank and
Corporation
Tax Law
of 1954"

23051. The term "Bank and Corporation Tax Law of 1954," means Part 11 of Division 2 of the Revenue and Taxation Code as enacted by Statutes 1949, Chapter 557, and as subsequently amended, including all amendments enacted prior to December 31, 1954.

SEC. 2. Section 23052 is added to the Revenue and Taxation Code, to read:

Construction

23052. The provisions of this code insofar as they are substantially the same as existing statutory provisions relating to the same subject matter shall be construed as restatements and continuations thereof, and not as new enactments.

SEC. 3. Section 23053 is added to the Revenue and Taxation Code, to read:

Effect of
repeals

23053. The repeal of any provision of the Bank and Corporation Tax Law of 1954 shall not affect any act done or any right accruing or accrued, or any suit or proceeding had or commenced in any civil cause, before such repeal; but all rights and liabilities under such law shall continue, and may be enforced in the same manner, as if such repeal had not been made.

SEC. 4. Section 23054 is added to the Revenue and Taxation Code, to read:

References

23054. For the purpose of applying the Bank and Corporation Tax Law of 1954 or the Bank and Corporation Tax Law as herein enacted to any period, any reference in either such law to another provision of the Bank and Corporation Tax Law of 1954 or the Bank and Corporation Tax Law as herein enacted which is not then applicable to such period shall be

deemed a reference to the corresponding provision of the other law which is then applicable to such period.

SEC. 5. Section 23055 is added to the Revenue and Taxation Code, to read:

23055. Any provision of this part which refers to the application of any portion of this part to a prior period (or which depends upon the application to a prior period of any portion of this part) shall, when appropriate and consistent with the purpose of such provision, be deemed to refer to (or depend upon the application of) the corresponding provision of Part 11 of Division 2 of the Revenue and Taxation Code or of such other Bank and Corporation Tax Laws as were applicable to the prior period. Application

SEC. 6. Section 23056 is added to the Revenue and Taxation Code, to read:

23056. Division, part, chapter, article, section and subsection headings contained herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this code. Construction

SEC. 7. Section 23057 is added to the Revenue and Taxation Code, to read:

23057. If any chapter, article, section, subsection, clause, sentence or phrase of this part which is reasonably separable from the remaining portions of this part, or the application thereof to any person, taxpayer or circumstance, is for any reason determined unconstitutional, such determination shall not affect the remainder of this part, nor, will the application of any such provision to other persons, taxpayers or circumstances, be affected thereby. Severability

SEC. 8. Section 23058 is added to the Revenue and Taxation Code, to read:

23058. Unless otherwise specifically provided the provisions of any law effecting changes in the computation of taxes shall be applied only in the computation of taxes for taxable years beginning after December 31st of the year preceding enactment and the remaining provisions of any such law shall become effective on the date it becomes law. Application of amendments in computing tax

SEC. 9. Section 23186a of the Revenue and Taxation Code is amended to read:

23186a. The Franchise Tax Board, after public hearing and opportunity given to examine the data on which its determination is based, shall determine not later than the thirty-first day of December of each year the average percentage of net income above specified, and, within 30 days after its determination, shall mail notice of its determination and the amount of tax payable on the basis of such determination to all banks and financial corporations affected thereby, which are then classified on its records as banks or financial corporations, but such determination shall not be considered a deficiency assessment within the meaning of Article 1 of Chapter 20. The data gathered by the Franchise Tax Board in determining the rate, referred to herein, shall be made avail- Determination of average percentage of net income

able to the taxpayers affected by such determination at the time and in the manner prescribed by regulations adopted by the Franchise Tax Board.

SEC. 10. Section 23225 of the Revenue and Taxation Code is amended to read:

Due date of
adjusted tax

23225. The adjusted tax, as provided in Sections 23222 to 23224, inclusive, for any taxable year in excess of the prepayment for that year, shall be due and payable in one amount on or before the fifteenth day of the third month following the close of that taxable year, or on or before the expiration of the period of extension where an extension has been granted by the Franchise Tax Board under Article 1 of Chapter 19, and, if not so paid, interest shall be added thereto in the manner and at the rate or rates provided in Article 1 of Chapter 21.

SEC. 11. Section 23333 of the Revenue and Taxation Code is amended to read:

Rate of tax
Taxpayer
dissolved or
withdrawn
prior to rate
determination

23333. A taxpayer subject to Section 23186 shall, if it dissolves or withdraws prior to the date the rate is determined under Section 23186, pay a tax under the preceding paragraph at the maximum rate prescribed by said Section 23186; if the rate is subsequently determined to be less than the maximum prescribed by Section 23186, a refund shall, within thirty (30) days of such determination, be made as prescribed by Article 1 of Chapter 22; that part of the tax thus determined which is in excess of four percent (4%) shall be collected as a demand for second installment under Article 3 of Chapter 19.

SEC. 12. Section 23504 of the Revenue and Taxation Code is added to read:

Change in
applicable
tax

23504. Where a corporation formerly subject to tax under Chapter 2 becomes subject to tax under Chapter 3, it shall file an information return for the income year in which the change occurs. The tax for the year in which the change occurs will be assessed under Chapter 2 and not under Chapter 3. For years subsequent to the year in which the change occurs, the tax will be assessed under Chapter 3.

SEC. 13. Section 23701a of the Revenue and Taxation Code is amended to read:

Exemptions
Labor etc.,
organizations

23701a. Labor, agricultural, or horticultural organizations, other than cooperative organizations described in Sections 24404 or 24405.

SEC. 14. Section 23731a of the Revenue and Taxation Code is amended to read:

Organiza-
tions subject
to tax

23731a. The tax imposed under Section 23731 shall apply in the case of any organization (other than a church, a convention or association of churches) which is exempt, except as provided in this article, from taxation under this part by reason of Sections 23701a, 23701d or 23701e. Such taxes shall also apply to an organization described in Section 23701h if the income is payable to an organization which itself is subject

to the tax imposed under Section 23731 or to a church or to a convention or association of churches.

SEC. 15. Section 23732 of the Revenue and Taxation Code is amended to read:

23732. The term "unrelated business net income" means the gross income derived by any organization from any unrelated trade or business, as defined in Section 23734, regularly carried on by it, less the deductions allowed by Articles 1 and 2 of Chapter 7, which are directly connected with the carrying on of such trade or business, subject to the exceptions, additions, and limitations prescribed in Sections 23732a to 23732h, inclusive "Unrelated business net income"

SEC. 16. Section 23732h of the Revenue and Taxation Code is amended to read:

23732h. In the case of any organization described in Section 23731a, the so-called "charitable contribution" deduction allowed by Section 24357 shall be allowed (whether or not directly connected with the carrying on of the trade or business), but shall not exceed 5 percent of the unrelated business net income computed without the benefit of this section. Charitable contributions Limitation

SEC. 17. Section 23735 of the Revenue and Taxation Code is amended to read:

23735. (a) The term "Article 2 lease" means a lease for a term of more than five years of real property by an organization (or by a partnership of which it is a member), if at the close of the lessor's taxable year there is an Article 2 lease indebtedness (as defined in Section 23735a) with respect to such property. "Article 2 lease"

(b) For purposes of subsection (a)—

(1) In computing the term of a lease which contains an option for renewal or extension, the term of such lease shall be considered as including any period for which such option may be exercised; and the term of any lease made pursuant to an exercise of such option shall include the period during which the prior lease was in effect. If real property is acquired subject to a lease, the term of such lease shall be considered to begin on the date of such acquisition.

(2) If the property has been occupied by the same lessee for a total period of more than five years commencing not earlier than the date of acquisition of the property by the organization (whether such occupancy is under one or more leases, renewals, extensions, or continuations thereof), the occupancy of such lessee shall be considered to be under a lease for a term of more than five years within the meaning of subsection (a). However, Section 23735e shall apply in the case of a tenancy described in this paragraph (and not within paragraph (1)) only with respect to the sixth and succeeding years of occupancy by the same lessee. For purposes of this paragraph, the term "same lessee" shall include any lessee of the property whose relationship with a lessee of the same property is such that losses in respect of sales or exchanges of

property between the two lessees would be disallowed under Section 24427.

(c) No lease shall be considered an Article 2 lease if (1) such lease is entered into primarily for purposes which are substantially related (aside from the need of such organization for income or funds or the use it makes of the rents derived) to the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under Article 1, or (2) the lease is of premises in a building primarily designed for occupancy and occupied by the organization.

(d) If a lease for more than five years to a tenant is for only a portion of the real property, and space in the real property is rented during the taxable year under a lease for not more than five years to any other tenant of the organization, leases of the real property for more than five years shall be considered as Article 2 leases during the taxable year only if—

(1) The rents derived from the real property during the taxable year under such leases represent 50 percent or more of the total rents derived during the taxable year from the real property; or the area of the premises occupied under such leases represents, at any time during the taxable year, 50 percent or more of the total area of the real property rented at such time; or

(2) The rent derived from the real property during the taxable year from any tenant under such a lease, or from a group of tenants (under such leases) who are (A) members of an affiliated group (as defined in Section 23361) or (B) partners, represents more than 10 percent of the total rents derived during the taxable year from such property; or the area of the premises occupied by any one such tenant, or by any such group of tenants, represents at any time during the taxable year more than 10 percent of the total area of the real property rented at such time. In the application of paragraph (1), if during the last half of the term of a lease a new lease is made to take effect after the expiration of such lease, the unexpired portion of such lease on the date the second lease is made shall not be treated as a part of the term of the second lease.

SEC. 18. Section 23736.1 of the Revenue and Taxation Code is amended to read:

“Prohibited transaction”

23736.1. For the purposes of this article, the term “prohibited transaction” means any transaction in which an organization subject to the provisions of this article—

(a) Lends any part of its income or corpus, without the receipt of adequate security and a reasonable rate of interest, to;

(b) Pays any compensation, in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered, to;

(c) Makes any part of its services available on a preferential basis to;

(d) Makes any substantial purchase of securities or any other property, for more than adequate consideration in money or money's worth, from;

(e) Sells any substantial part of its securities or other property, for less than an adequate consideration in money or money's worth, to; or

(f) Engages in any other transaction which results in a substantial diversion of its income or corpus to;

the creator of such organization (if a trust); a person who has made a substantial contribution to such organization; a member of the family (as defined in Section 17289(d) of this code) of an individual who is the creator of such trust or who has made a substantial contribution to such organization; or a corporation controlled by such creator or person through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote or 50 percent or more of the total value of shares of all classes of stock of the corporation.

SEC. 19. Chapters 5 to 9, inclusive, comprising Sections ^{Repeal} 23851 to Sections 25295a, inclusive, of Part 11 of Division 2 of the Revenue and Taxation Code are hereby repealed.

SEC. 20. Chapters 5 to 18, inclusive, comprising Sections 24251 to 25207, inclusive, are added to Part 11 of Division 2 of the Revenue and Taxation Code to read :

CHAPTER 5. COMPUTATION OF TAX WHEN LAW CHANGED

24251. The tax on any taxpayer for a period beginning in one calendar year (called "first calendar year") and ending in the following calendar year (called "second calendar year") where the law applicable to the computation of taxes for calendar year taxpayers for the second calendar year is different from the law applicable to computation of taxes for calendar year taxpayers for the first calendar year, shall, except as otherwise provided, be the sum of:

Rate of tax
when law
changed

(a) The same proportion of a tax for the entire period, determined under the law and rates applicable to the first calendar year which the portion of the period falling within the first year is of the entire period; and

(b) The same proportion of a tax for the entire period, determined under the law and rates applicable to the second calendar year which the portion of the period falling within the second calendar year is of the entire period.

Any tax that has been paid under the law applicable to the first calendar year if in excess of the tax imposed by this section shall be refunded or credited to the taxpayer as provided in Chapter 22. Any tax in addition to that paid under the law applicable to the first calendar year made necessary by this article shall be immediately due and payable upon notice and demand from the Franchise Tax Board.

CHAPTER 6. GROSS INCOME

Article 1. Definitions

Gross
Income

24271. (a) Except as otherwise provided in this part, gross income means all income from whatever source derived, including (but not limited to) the following items:

- (1) Compensation for services, including fees, commissions, and similar items;
- (2) Gross income derived from business;
- (3) Gains derived from dealings in property;
- (4) Interest;
- (5) Rents;
- (6) Royalties;
- (7) Dividends;
- (8) Annuities;
- (9) Income from life insurance and endowment contracts;
- (10) Income from discharge of indebtedness;
- (11) Distributive share of partnership gross income;
- (12) Income from an interest in an estate or trust.

Same

24272. For the purposes of the tax imposed under Chapter 2, "gross income" includes all interest received from federal, state, municipal or other bonds.

Loans from
Commodity
Credit
Corporation

24273. (a) Amounts received as loans from the Commodity Credit Corporation shall, at the election of the taxpayer, be considered as income and shall be included in gross income for the income year in which received.

(b) If a taxpayer exercises the election provided for in subsection (a) for any income year, then the method of computing income so adopted shall be adhered to with respect to all subsequent income years unless with the approval of the Franchise Tax Board a change to a different method is authorized.

Article 2. Exclusions

Exclusions
from gross
income

24301. In computing the tax imposed under this part, "gross income" does not include any of the items specified in this article.

Amounts
received
under life
insurance,
endowment,
etc., con-
tracts

24302. (a) Amounts received other than amounts paid by reason of the death of the insured under life insurance, endowment or annuity contracts, either during the term or at maturity or upon surrender of the contract, equal to the total amount of premiums paid thereon. In the case of a transfer for a valuable consideration by assignment or otherwise, of a life insurance, endowment or annuity contract or any interest therein, only the actual value of such consideration and the amount of the premiums and other sums subsequently paid by the transferee shall be excluded from gross income under Section 24305 or this section. The preceding sentence shall not apply in the case of such a transfer if such contract or interest therein has a basis for determining gain or loss in the hands of a transferee determined in whole or in part by reference to

such basis of such contract or interest therein in the hands of the transferor.

24305. Amounts received under life insurance policies and ^{Same} contracts paid by reason of the death of the insured but if such amounts are held by the insurer under an agreement to pay interest thereon, the interest payments shall be included in gross income.

24307. (a) No amount shall be included in gross income by reason of the discharge, in whole or in part, within the income year, of any indebtedness for which the taxpayer is liable, or subject to which the taxpayer holds property, if—

(1) The indebtedness was incurred or assumed—

(A) By a corporation; or

(B) By an individual in connection with property used in his trade or business; and

(2) Such taxpayer makes and files a consent to the regulations prescribed under Section 24918 (relating to adjustment of basis) then in effect at such time and in such manner as the Franchise Tax Board by regulations prescribes.

In such case, the amount of any income of such taxpayer attributable to any unamortized premium (computed as of the first day of the income year in which such discharge occurred) with respect to such indebtedness shall not be included in gross income, and the amount of the deduction attributable to any unamortized discount (computed as of the first day of the income year in which such discharge occurred) with respect to such indebtedness shall not be allowed as a deduction.

(b) No amount shall be included in gross income by reason of the discharge, cancellation, or modification, in whole or in part, within the income year, of any indebtedness of a railroad corporation, as defined in Section 77(m) of the Bankruptcy Act (11 U. S. C. 205(m)), if such discharge, cancellation, or modification is effected pursuant to an order of a court in a receivership proceeding or in a proceeding under Section 77 of the Bankruptcy Act. In such cases, the amount of any income of the taxpayer attributable to any unamortized premium (computed as of the first day of the income year in which such discharge occurred) with respect to such indebtedness shall not be included in gross income, and the amount of the deduction attributable to any unamortized discount (computed as of the first day of the income year in which such discharge occurred) with respect to such indebtedness shall not be allowed as a deduction. Subsection (a) of this section shall not apply with respect to any discharge of indebtedness to which this subsection applies. This subsection shall not apply to any discharge occurring in an income year beginning after December 31, 1955.

24308. If a stockholder or stockholders of a taxpayer cancels any indebtedness owing to the stockholder or stockholders by the taxpayer, such cancellation shall not constitute income to the taxpayer except to the extent that the taxpayer received a tax benefit, under this part, from such indebtedness. ^{Cancellation of indebtedness to stockholder}

Termination
of lease

24309. Gross income does not include income (other than rent) derived by a lessor of real property on the termination of a lease, representing the value of such property attributable to buildings erected or other improvements made by the lessee.

Recovery of
bad debts,
etc

24310. (a) Gross income does not include income attributable to the recovery during the income year of a bad debt, prior tax, or delinquency amount, to the extent of the amount of the recovery exclusion with respect to such debt, tax, or amount.

(b) For purposes of subsection (a)—

"Bad debt"

(1) The term "bad debt" means a debt on account of the worthlessness or partial worthlessness of which a deduction was allowed for a prior income year.

"Prior tax"

(2) The term "prior tax" means a tax on account of which a deduction or credit was allowed for a prior income year.

"Delin-
quency
amount"

(3) The term "delinquency amount" means an amount paid or accrued on account of which a deduction or credit was allowed for a prior income year and which is attributable to failure to file return with respect to a tax, or pay a tax, within the time required by the law under which the tax is imposed, or to failure to file return with respect to a tax or pay a tax.

"Recovery
exclusion"

(4) The term "recovery exclusion," with respect to a bad debt, prior tax, or delinquency amount, means the amount, determined in accordance with regulations prescribed by the Franchise Tax Board, of the deductions or credits allowed, on account of such bad debt, prior tax, or delinquency amount, which did not result in a reduction of the taxpayer's tax under this part or corresponding provisions of prior tax laws, reduced by the amount excludable in previous income years with respect to such debt, tax or amount under this section.

CHAPTER 7. NET INCOME

Article 1. Deductions

"Net
income"

24341. "Net income" means the gross income, computed under Chapter 6, less the deductions allowed under this article and Article 2 of this chapter.

Deductions
Ordinary and
necessary
business
expenses

24343. (a) There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the income year in carrying on any trade or business, including—

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered; and

(2) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which it has no equity.

(b) No deduction shall be allowed under subsection (a) for any contribution or gift which would be allowable as a deduction under Section 24357 were it not for the percentage limitations, or the requirements as to the time of payment, set forth in such section.

24344. There shall be allowed as a deduction all interest paid or accrued during the income year on indebtedness of the taxpayer to the extent that such interest exceeds the income of the taxpayer from interest and dividends, except: (a) dividends deductible under the provisions of Section 24402 and (b) dividends from corporations, 50 percent or more of the outstanding stock of which is owned by the taxpayer, which is not included in the measure of the tax imposed by this part; or to the extent of interest and dividends included in the measure of the tax imposed by this part, whichever is the greater.

24345. There shall be allowed as a deduction—

(a) Taxes or licenses paid or accrued during the income year except: Interest
payments

(1) Taxes paid to the State under this part.

(2) Taxes on or according to or measured by income or profits paid or accrued within the income year imposed by the authority of

(A) The Government of the United States or any foreign country; or

(B) Any state, territory, county, school district, municipality, or other taxing subdivision of any state or territory.

(3) Taxes assessed against local benefits of a kind tending to increase the value of the property assessed, but this does not exclude the allowance as a deduction of so much of the taxes assessed against local benefits as is properly allocable to maintenance or interest charges. Nor does this exclude the allowance of any irrigation or other water district taxes or assessments which are levied for the payment of the principal of any improvement or other bonds for which a general assessment on all lands within the district is levied as distinguished from a special assessment levied on part of the area within the district.

(b) (1) In this subsection, "retail sales tax" means a tax imposed by any state, territory, district, or possession of the United States, or any political subdivision thereof, upon persons engaged in: "Retail
sales tax"

(A) Selling tangible personal property at retail, which is measured by the gross sales price or the gross receipts from the sale or which is a stated sum per unit of the property sold.

(B) Furnishing services at retail, which is measured by the gross receipts for furnishing the services.

(2) If the amount of a retail sales tax is separately stated, to the extent that the amount so stated is paid by the purchaser (otherwise than in connection with the purchaser's trade or business) the amount shall be allowed as a deduction in computing the net income of the purchaser as if the amount were a tax imposed upon and paid by the purchaser.

24347. (a) There shall be allowed as a deduction any loss sustained during the income year and not compensated for by insurance or otherwise. Uncompensated loss

(b) For purposes of subsection (a), the basis for determining the amount of the deduction for any loss shall be the

adjusted basis provided in Section 24911 for determining the loss from the sale or other disposition of property.

(c) For purposes of subsection (a), any loss arising from theft shall be treated as sustained during the income year in which the taxpayer discovers such loss.

(d) If any security becomes worthless during the income year, the loss resulting therefrom shall, for purposes of this part, be treated as a loss from its sale or exchange, on the last day of the income year.

Bad debts

24348. There shall be allowed as a deduction debts which become worthless within the income year; or, in the discretion of the Franchise Tax Board, a reasonable addition to a reserve for bad debts. When satisfied that a debt is recoverable in part only the Franchise Tax Board may allow such debt, in an amount not in excess of the part charged off within the income year, as a deduction; provided, however, that if a debt was actually worthless prior to January 1, 1943, but was not ascertained to be worthless and charged off prior to said date, a deduction may be taken therefor during the first income year ending after December 31, 1942; and, provided, that if a portion of a debt is claimed and allowed as a deduction in any year no deduction shall be allowed in any subsequent year for any portion of the debt which in any prior year was charged off, regardless of whether claimed as a deduction in such prior year.

Depreciation
of business
property

24349. There shall be allowed as a deduction a reasonable allowance for exhaustion, wear and tear and obsolescence of property used in the trade or business.

Basis for
depreciation

24350. The basis of the allowance for depreciation prescribed in Section 24349 is the adjusted basis provided in Article 2 of Chapter 15, for the purpose of determining gain upon the sale or other disposition of the property.

Amortization
of emergency
facilities

24355. A taxpayer may elect to claim a deduction for amortization of emergency facilities, as defined by Section 124 and Section 124A of the Internal Revenue Code of 1939, as amended by Section 216 of the Federal Revenue Act of 1950 and Section 168 of the Internal Revenue Code of 1954, under regulations prescribed by the Franchise Tax Board.

Contribu-
tions
or gifts

24357. There shall be allowed as a deduction contributions or gifts payment of which is made within the income year to or for the use of:

(a) The United States, any state, territory, or any political subdivision thereof or the District of Columbia, or any possession of the United States, for exclusively public purposes; or

(b) A corporation, trust, or community chest, fund, or foundation, created or organized in the United States or in any possession thereof or under the law of the United States, or of any state or territory, or of the District of Columbia, or of any possession of the United States, organized and operated exclusively for religious, charitable, scientific, veteran rehabilitation service, literary, or educational purposes or for the pre-

vention of cruelty to children or animals (but in the case of contributions or gifts to a trust, chest, fund, or foundation, payment of which is made within an income year beginning after the date of the cessation of hostilities in the present war, as proclaimed by the President, only if such contributions or gifts are to be used within the United States or any of its possessions exclusively for such purposes), no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation. For disallowance of certain charitable, etc., deductions, otherwise allowable under this subsection, see Section 24359; or

(c) Posts or organizations of war veterans, or auxiliary units of, or trusts or foundations for, any such posts or organizations, if such posts, organizations, units, trusts, or foundations are organized in the United States or any of its possessions, and if no part of their net earnings inures to the benefit of any private shareholder or individual; or

(d) A corporation or organization which is organized in the United States or any of its possessions by or for members of the armed forces of the United States for the purpose of aiding or assisting members of such forces or their relatives if no part of the net earnings of such corporation or organization inures to the benefit of any private shareholder or individual.

(e) The amount of aggregate deductions allowable under subsections (a), (b), (c), and (d) of this section is limited to the extent it does not exceed 5 percent of the taxpayer's net income as computed without the benefits of this subsection.

Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the Franchise Tax Board.

24358. In the case of a bank or corporation reporting its net income on the accrual basis, at the election of the taxpayer any contribution or gift, payment of which is made after the close of the income year and on or before the fifteenth day of the third month following the close of such year shall, for the purposes of Section 24357, be considered as paid during such income year if, during such year, the board of directors authorized such contribution or gift. Such election shall be made only at the time of the filing of the return for the income year and shall be signified in such manner as the Franchise Tax Board shall by regulation prescribe.

Authorized
gift by bank
or corpo-
ration

24359. No gift or bequest for religious, charitable, scientific, literary, or educational purposes (including the encouragement of art and the prevention of cruelty to children or animals), otherwise allowable as a deduction, shall be allowed as a deduction if made to an organization which, in the income year of the organization in which the gift or bequest is made, is not exempt under Section 23701d by reason of the provisions of Article 2 of Chapter 4. With respect to any income year of

Gift to
nonexempt
organization
nonde-
ductible

the organization for which the organization is not exempt pursuant to the provisions of Section 23736.2 by reason of having engaged in a prohibited transaction with the purpose of diverting the corpus or income such organization from its exempt purposes and such transaction involved a substantial part of such corpus or income, and which income year is the same, or prior to the, income year of the organization in which such transaction occurred, such deduction shall be disallowed the donor only if it was a party to such prohibited transaction.

For the purposes of this section, the term "gift or bequest" means any gift, contribution, bequest, devise, legacy, or transfer.

Amortizable
bond
premiums

24360. In the case of any bond, as defined in Section 24363, the following rules shall apply to the amortizable bond premium (determined under Section 24361 on the bond):

(a) In the case of a bond, the amount of the amortizable bond premium for the income year shall be allowed as a deduction.

(b) In the case of any bond the interest on which is excludable from gross income under Chapter 3, no deduction shall be allowed for the amortizable bond premium for the taxable year.

Determina-
tion of bond
premium

24361. (a) For purposes of subsection (b), the amount of bond premium, in the case of the holder of any bond, shall be determined—

(1) With reference to the amount of the basis (for determining loss on sale or exchange) of such bond;

(2) With reference to the amount payable on maturity or on earlier call date; and

(3) With adjustments proper to reflect unamortized bond premium, with respect to the bond, for the period before the date as of which Section 24360 becomes applicable with respect to the taxpayer with respect to such bond.

In no case shall the amount of bond premium on a convertible bond include any amount attributable to the conversion features of the bond.

(b) The amortizable bond premium of the income year shall be the amount of the bond premium attributable to such year. In the case of a bond described in Section 24362(a) issued after January 22, 1951, and acquired after January 22, 1954, which has a call date not more than three years after the date of such issue, the amount of bond premium attributable to the income year in which the bond is called shall include an amount equal to the excess of the amount of the adjusted basis (for determining loss on sale or exchange) of such bond as of the beginning of the income year over the amount received on redemption of the bond or (if greater) the amount payable on maturity.

(c) The determinations required under subsections (a) and (b) shall be made—

(1) In accordance with the method of amortizing bond premium regularly employed by the holder of the bond, if such method is reasonable;

(2) In all other cases, in accordance with regulations prescribing reasonable methods of amortizing bond premium prescribed by the Franchise Tax Board.

24362. (a) Sections 24360 to 24363, inclusive, shall apply ^{Taxpayer's election} to the bonds only if the taxpayer has elected to have these sections apply; in the case of any taxpayer, bonds the interest on which is not excludable from gross income.

(b) The election authorized under this section shall be made in accordance with such regulations as the Franchise Tax Board shall prescribe. If such election is made with respect to any bond (described in subsection (a)) of the taxpayer, it shall also apply to all such bonds held by the taxpayer at the beginning of the first income year to which the election applies and to all such bonds thereafter acquired by him and shall be binding for all subsequent income years with respect to all such bonds of the taxpayer, unless, on application by the taxpayer, the Franchise Tax Board permits him, subject to such conditions as the Franchise Tax Board deems necessary, to revoke such election.

24363. For purposes of Sections 24360 to 24363, inclusive, ^{"Bond"} the term "bond" means any bond, debenture, note, or certificate or other evidence of indebtedness, issued by any corporation and bearing interest (including any like obligation issued by a government or political subdivision thereof), but does not include any such obligation which constitutes stock in trade of the taxpayer or any such obligation of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the income year, or any such obligation held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business.

24364. Notwithstanding Article 3, Chapter 7, all expenditures (other than expenditures for the purchase of land or depreciable property or for the acquisition of circulation through the purchase of any part of the business of another publisher of a newspaper, magazine, or other periodical) to establish, maintain, or increase the circulation of a newspaper, magazine, or other periodical shall be allowed as a deduction; except that the deduction shall not be allowed with respect to the portion of such expenditures as, under regulations prescribed by the Franchise Tax Board, is chargeable to capital account if the taxpayer elects, in accordance with such regulations, to treat such portion as so chargeable. Such election, if made, must be for the total amount of such portion of the expenditures which is so chargeable to capital account, and shall be binding for all subsequent income years unless, upon application by the taxpayer, the Franchise Tax Board permits a revocation of such election subject to such conditions as it deems necessary. ^{Expenditures to establish, etc., circulation of newspaper, etc}

24369. In the case of a taxpayer engaged in the business of farming, expenditures made for the purpose of soil and water conservation and the prevention of erosion of land used in farming shall be allowed as deductions under Section 24343. ^{Farm expenses for soil and water conservation}

For the purposes of this section, the term "expenditures made for the purpose of soil and water conservation and the prevention of erosion" means expenditures for the treatment, moving, or cultivation of earth, including (but not limited to) leveling, grading and terracing, contour furrowing, the construction of diversion channels and drainage ditches, the control and protection of watercourses, outlets, and ponds, the planting and cultivation of cover and protective crops or wind-breaks, the control of weeds and brush and other special or emergency cultivation and tillage; but such term does not include the purchase, construction, installation, or improvement of structures, appliances, and facilities made of masonry, concrete, tile, metal, or wood, such as tanks, reservoirs, pipes, conduits, canals, dams, wells, and pumps, which are subject to the allowance for depreciation provided in Section 24349. For the purpose of this section, the term "land used in farming" means land used (prior to the expenditure for conservation made by the taxpayer) by the taxpayer or its tenant or the predecessor owner or its tenant for the production of crops, fruits, and similar agricultural products or for the sustenance of livestock.

Interest paid
to depositors
by mutual
savings bank

24370. There shall also be allowed as a deduction, under Chapter 2 of this part, in the case of a mutual savings bank, the entire amount of interest paid to depositors possessing no proprietary interest in the institution or in its surplus, and interest on their deposits to members possessing a proprietary interest in the institution or in its surplus at a rate determined by the State Superintendent of Banks to be the going rate of interest upon savings deposits in the State during the calendar year preceding the taxable year, such rate to be certified by him to the Franchise Tax Board on or before the first day of March of each year.

Recomputa-
tion of tax
Validity of
provisions

24371. For the purposes of the tax imposed under Chapter 2, if any deduction provided for in this article is finally adjudged discriminatory against a national banking association contrary to Title 12, Section 548, United States Code, or is for any reason finally adjudged invalid, in that event the tax of the favored taxpayer shall be recomputed by the Franchise Tax Board for the taxable year in question, as of the time of allowance of the deduction, by disallowing the deduction, and any difference between the amount of the tax as recomputed and the amount of the tax as originally computed shall be subject to the provisions hereof relating to original computations.

Article 2. Special Deductions

Special
deductions

24401. In addition to the deductions provided in Article 1, there shall be allowed as deductions in computing taxable income the items specified in this article.

Dividends

24402. Dividends received during the income year declared from income which has been included in the measure of the

taxes imposed under Chapter 2 or Chapter 3 of this part upon the taxpayer declaring the dividends.

24403. In the case of a building and loan association, organized and operating wholly or partly on a mutual plan, or a federal savings and loan association, organized and operating wholly or partly on a mutual plan, the return paid or credited on or apportioned to their withdrawable shares. Return paid on withdrawable shares by building and loan, etc. association

24404. In the case of farmers, fruit growers, or like associations organized and operated in whole or in part on a cooperative or mutual basis, (a) for the purpose of marketing the products of members or other producers, and turning back to them the proceeds of sales, less the necessary marketing expenses, which may include reasonable reserves, on the basis of either the quantity or the value of the products furnished by them, or (b) for the purpose of purchasing, or producing, supplies and equipment for the use of members or other persons, and turning over such supplies and equipment to them at actual cost, plus necessary expenses, all income resulting from or arising out of such business activities for or with their members carried on by them or their agents; or when done on a nonprofit basis for or with nonmembers. Income of nonprofit farm cooperative, etc

24405. In the case of other associations organized and operated in whole or in part on a cooperative or mutual basis, all income resulting from or arising out of business activities for or with their members carried on by them or their agents; or when done on a nonprofit basis for or with nonmembers. Income from other cooperative organizations

Article 3. Items Not Deductible

24421. In computing "net income" of taxpayers under this part, no deduction shall be allowed for the items specified in this article. Items not deductible

24422. No deduction shall be allowed for—

(a) Any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate. This subsection shall not apply to— Permanent improvements

(1) Expenditures for the development of mines or deposits deductible under Section 24836;

(2) Soil and water conservation expenditures deductible under Section 24369.

(b) Any amount expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made.

24423. Notwithstanding Section 24422, regulations shall be prescribed by the Franchise Tax Board under this part corresponding to the regulations which granted the option to deduct as expenses intangible drilling and development costs in the case of oil and gas wells and which were recognized and approved by the Congress in House Concurrent Resolution 50, Seventy-ninth Congress. Regulations re intangible drilling expenses, etc., of oil and gas wells

24424. (a) No deduction shall be allowed for—

Life
insurance
premiums

(1) Premiums paid on any life insurance policy covering the life of any officer or employee, or of any person financially interested in any trade or business carried on by the taxpayer, when the taxpayer is directly or indirectly a beneficiary under such policy.

(2) Any amount paid or accrued on indebtedness incurred or continued to purchase or carry a single premium life insurance, endowment, or annuity contract. Paragraph (2) shall apply in respect of annuity contracts only as to contracts purchased after December 31, 1954.

(b) For purposes of subsection (a) (2), a contract shall be treated as a single premium contract—

(1) If substantially all the premiums on the contract are paid within a period of four years from the date on which the contract is purchased; or

(2) If an amount is deposited after December 31, 1954, with the insurer for payment of a substantial number of future premiums on the contract.

Amounts not
included in
measure
of tax

24425. Any amount otherwise allowable as a deduction which is allocable to one or more classes of income not included in the measure of the tax imposed by this part, regardless of whether such income was received or accrued during the income year.

Amounts
chargeable
to capital
account

24426. Amounts paid or accrued for such taxes and carrying charges as, under regulations prescribed by the Franchise Tax Board, are chargeable to capital account with respect to property, if the taxpayer elects, in accordance with such regulations, to treat such taxes or charges as so chargeable.

Additional
items not
deductible
Family, etc.,
transactions

24427. No deduction shall be allowed—

In respect of losses from sales or exchanges of property (other than losses in cases of distributions in corporate liquidations), directly or indirectly, between persons specified within any one of the paragraphs of Section 24428.

In respect of expenses, otherwise deductible under Section 24343, or of interest, otherwise deductible under Section 24344—

(a) If within the period consisting of the income year of the taxpayer and $2\frac{1}{2}$ months after the close thereof (1) such expenses or interest are not paid, and (2) the amount thereof is not includible in the gross income of the person to whom the payment is to be made; and

(b) If, by reason of the method of accounting of the person to whom the payment is to be made, the amount thereof is not, unless paid, includible in the gross income of such person for the income year in which or with which the income year of the taxpayer ends; and

(c) If, at the close of the income year of the taxpayer or at any time within $2\frac{1}{2}$ months thereafter, both the taxpayer and the person to whom the payment is to be made are persons specified within Section 24428.

(d) The amount of expenses incurred or interest accrued, the deduction of which is disallowed under this section in the year incurred or accrued, may be deducted in the year paid.

24428. The persons referred to in Section 24427 are:

Persons

(1) Members of a family, as defined in Section 24429(d);

(2) An individual and a corporation more than 50 percent in value of the outstanding stock of which is owned, directly or indirectly, by or for such individual.

24429. For purposes of determining, in applying Section 24428, the ownership of stock—

Determina-
tion of stock
ownership

(a) Stock owned, directly or indirectly, by or for a corporation, partnership, estate, or trust shall be considered as being owned proportionately by or for its shareholders, partners, or beneficiaries;

(b) An individual shall be considered as owning the stock owned, directly or indirectly, by or for his family;

(c) An individual owning (otherwise than by the application of subsection (b)) any stock in a corporation shall be considered as owning the stock owned, directly or indirectly, by or for his partner;

(d) The family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants; and

(e) Stock constructively owned by a person by reason of the application of subsection (a) shall, for the purpose of applying subsections (a), (b), or (c), be treated as actually owned by such person, but stock constructively owned by an individual by reason of the application of subsections (b) or (c) shall not be treated as owned by him for the purpose of again applying either of such subsections in order to make another the constructive owner of such stock.

24431. If—

Acquisitions
of corporate
stock or
property to
avoid tax

(a) Any person or persons acquire, or acquired on or after October 8, 1940, directly or indirectly, control of a corporation; or

(b) Any corporation acquires, or acquired on or after October 8, 1940, directly or indirectly, property of another corporation, not controlled, directly or indirectly, immediately before such acquisition, by such acquiring corporation or its stockholders, the basis of which property, in the hands of the acquiring corporation, is determined by reference to the basis in the hands of the transferor corporation;

and the principal purpose for which such acquisition was made is evasion or avoidance of tax under this part by securing the benefit of a deduction, credit, or other allowance which such person or corporation would not otherwise enjoy, then such deduction, credit, or other allowance shall not be allowed. For purposes of subsections (a) and (b), control means the ownership of stock possessing a least 50 percent of the total combined voting power of all classes of stock entitled to vote or at

least 50 percent of the total value of shares of all classes of stock of the corporation.

Same
Authority of
Franchise
Tax Board

24432. In any case to which Section 24431 applies the Franchise Tax Board is authorized—

(a) To allow as a deduction, credit, or allowance any part of any amount disallowed by such section, if it determines that such allowance will not result in the evasion or avoidance of tax under this part for which the acquisition was made; or

(b) To distribute, apportion, or allocate gross income, and distribute, apportion, or allocate the deductions, credits, or allowances the benefit of which was sought to be secured, between or among the corporations, or properties, or parts thereof, involved, and to allow such deductions, credits, or allowances so distributed, apportioned, or allocated, but to give effect to such allowance only to such extent as it determines will not result in the evasion or avoidance of tax under this part for which the acquisition was made; or

(c) To exercise its powers in part under subsection (a) and in part under subsection (b).

Same
Prima facie
evidence of
evasion or
avoidance

24433. The fact that the consideration paid upon an acquisition by any person or corporation described in Section 24431 is substantially disproportionate to the aggregate—

(a) Of the adjusted basis of the property of the corporation (to the extent attributable to the interest acquired specified in subsection (a) of Section 24431), or of the property acquired specified in Section 24431; and

(b) Of the tax benefits (to the extent not reflected in the adjusted basis of the property) not available to such person or corporation otherwise than as a result of such acquisition;

shall be prima facie evidence of the principal purpose of evasion or avoidance of tax under this part. This section shall apply only with respect to acquisitions after December 31, 1954.

Worthless
debts owed
by political
party

24434. (a) In the case of a taxpayer (other than a bank as defined in Section 23039) no deduction shall be allowed under Section 24348 (relating to bad debts) or under Section 24347(d) (relating to worthlessness of securities) by reason of the worthlessness of any debt owed by a political party.

“Political
party”

(b) (1) For purposes of subsection (a), the term “political party” means—

(A) A political party;

(B) A national, state, or local committee of a political party; or

(C) A committee, association, or organization which accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the election of presidential or vice presidential electors or of any individual whose name is presented for election to any federal, state, or local elective public office, whether or not such individual is elected.

“Contribu-
tions”

(2) For purposes of paragraph (1)(C), the term “contributions” includes a gift, subscription, loan, advance, or de-

posit, of money, or anything of value, and includes a contract, promise, or agreement to make a contribution, whether or not legally enforceable.

(3) For purposes of paragraph (1)(C), the term "expenditures" includes a payment, distribution, loan, advance, deposit, or gift, of money, or anything of value, and includes a contract, promise, or agreement to make an expenditure, whether or not legally enforceable. "Expenditures"

24435. Any amount attributable to the transfer of a share of stock pursuant to the exercise of a "restricted stock option," as defined in Chapter 5, Article 2, of Part 10 of this division, by an employer bank or corporation, or its parent or subsidiary bank or corporation to an employee of the bank or corporation. Restricted stock option

24436. In computing net income, no deductions shall be allowed to any taxpayer on any of its gross income derived from illegal activities as defined in Chapters 9, 10 or 10.5 of Title 9 of Part 1 of the Penal Code of California; nor shall any deduction be allowed to any taxpayer on any of its gross income derived from any other activities which tend to promote or to further, or are connected or associated with, such illegal activities. Illegal activities

CHAPTER 8. CORPORATE DISTRIBUTIONS AND ADJUSTMENTS

Article 1. Effects on Recipients

24451. (a) Except as otherwise provided in this part, a distribution of property (as defined in Section 24496(a)) made by a corporation to a shareholder with respect to its stock shall be treated in the manner provided in Section 24453. Distribution of property

24453. In the case of a distribution to which Section 24451 applies— Dividends and non-dividends

(a) That portion of the distribution which is a dividend (as defined in Section 24495) shall be included in gross income.

(b) That portion of the distribution which is not a dividend shall be applied against and reduce the adjusted basis of the stock.

(c) (1) Except as provided in paragraph (2), that portion of the distribution which is not a dividend, to the extent that it exceeds the adjusted basis of the stock, shall be treated as gain from the sale or exchange of property.

(2) That portion of the distribution which is not a dividend, to the extent that it exceeds the adjusted basis of the stock and to the extent that it is out of increase in value accrued before March 1, 1913, shall be exempt from tax.

24455. If a corporation cancels or redeems its shares (whether or not such shares were issued as a stock dividend) at such time and in such manner as to make the distribution and cancellation or redemption in whole or in part essentially equivalent to the distribution of a taxable dividend, the amount so distributed in redemption or cancellation of the shares, to Cancellation or redemption of shares

the extent that it represents a distribution of earnings or profits accumulated after February 28, 1913, shall be treated as a taxable dividend.

Stock dis-
tribution:

24463. (a) Except as provided in subsection (b), gross income does not include the amount of any distribution made by a corporation to its shareholders, with respect to the stock of such corporation, in its stock or in rights to acquire its stock.

(b) Subsection (a) shall not apply to a distribution by a corporation of its stock (or rights to acquire its stock), and the distribution shall be treated as a distribution of property to which Sections 24451 to 24453 apply—

(1) To the extent that the distribution is made in discharge of preference dividends for the taxable year of the corporation in which the distribution is made or for the preceding taxable year; or

(2) If the distribution is, at the election of any of the shareholders (whether exercised before or after the declaration thereof), payable either—

(A) In its stock (or in rights to acquire its stock); or

(B) In property.

Effect of
sale or
disposal of
Section
24464 stock

24464. If a shareholder sells or otherwise disposes of Section 24464 stock (as defined in Section 24466)—

(a) If such disposition is not a redemption (within the meaning of Section 24496(b))—

(1) The amount realized shall be treated as gain from the sale of property which is not a capital asset. This paragraph shall not apply to the extent that—

(A) The amount realized, exceeds

(B) Such stock's ratable share of the amount which would have been a dividend at the time of distribution if (in lieu of Section 24464 stock) the corporation had distributed money in an amount equal to the fair market value of the stock at the time of distribution.

(2) Any excess of the amount realized over the sum of—

(A) The amount treated under paragraph (1) as gain from the sale of property which is not a capital asset; plus

(B) The adjusted basis of the stock, shall be treated as gain from the sale of such stock.

(3) No loss shall be recognized.

(b) If the disposition is a redemption, the amount realized shall be treated as a distribution of property to which Sections 24451 and 24453 apply.

When not
applicable

24465. Section 24464 shall not apply—

(a) (1) If the disposition—

(A) Is not a redemption;

(B) Is not, directly or indirectly, to a person the ownership of whose stock would (under Section 24497(a)) be attributable to the shareholder; and

(C) Terminates the entire stock interest of the shareholder in the corporation (and for purposes of this subparagraph, Section 24497(a) shall apply).

(2) If the disposition is a redemption and Section 24454 applies.

(b) If the Section 24464 stock is redeemed in a distribution in partial or complete liquidation to which Section 24501 and following apply.

(c) To the extent that, under any provision of this part, gain or loss to the shareholder is not recognized with respect to the disposition of the Section 24464 stock.

(d) If it is established to the satisfaction of the Franchise Tax Board—

(1) That the distribution, and the disposition or redemption; or

(2) In the case of a prior or simultaneous disposition (or redemption) of the stock with respect to which the Section 24464 stock disposed of (or redeemed) was issued, that the disposition (or redemption) of the Section 24464 stock, was not in pursuance of a plan having as one of its principal purposes the avoidance of tax under this part.

24466. (a) For purposes of this chapter, the term "Section 24464 stock" means stock which meets the requirements of paragraph (1), (2), or (3) of this subsection. Section 24464 stock"

(1) Stock (other than common stock issued with respect to common stock) which was distributed to the shareholder selling or otherwise disposing of such stock if, by reason of Section 24463(a), any part of such distribution was not includible in the gross income of the shareholder.

(2) Stock which is not common stock and—

(A) Which was received, by the shareholder selling or otherwise disposing of such stock, in pursuance of a plan of reorganization (within the meaning of Section 25562), or in a distribution or exchange to which Section 24533 (or so much of Sections 24535 to 24539, inclusive, as relates to Section 24533) applied; and

(B) With respect to the receipt of which gain or loss to the shareholder was to any extent not recognized by reason of Chapter 10, but only to the extent that either the effect of the transaction was substantially the same as the receipt of a stock dividend, or the stock was received in exchange for Section 24464 stock.

For purposes of this article, a receipt of stock to which the foregoing provisions of this paragraph apply shall be treated as a distribution of stock.

(3) Except as otherwise provided in paragraph (2), stock the basis of which (in the hands of the shareholder selling or otherwise disposing of such stock) is determined by reference to the basis (in the hands of such shareholder or any other person) of Section 24464 stock.

(b) For purposes of this article, the term "Section 24464 stock" does not include any stock no part of the distribution of which would have been a dividend at the time of the distribution if money had been distributed in lieu of the stock.

Stock
rights

24467. For purposes of Sections 24464 to 24471, inclusive—

(a) Stock rights shall be treated as stock; and

(b) Stock acquired through the exercise of stock rights shall be treated as stock distributed at the time of the distribution of the stock rights, to the extent of the fair market value of such rights at the time of the distribution.

24468. For purposes of Section 24466—

Exchange of
Section
24464 stock

(a) If Section 24464 stock was issued with respect to common stock and later such Section 24464 stock is exchanged for common stock in the same corporation (whether or not such exchange is pursuant to a conversion privilege contained in the Section 24464 stock), then (except as provided in subsection (b)) the common stock so received shall not be treated as Section 24464 stock; and

Common
stock with
conversion
privilege

(b) Common stock with respect to which there is a privilege of converting into stock other than common stock (or into property), whether or not the conversion privilege is contained in such stock, shall not be treated as common stock.

Change in
stock's
terms and
conditions

24470. If a substantial change is made in the terms and conditions of any stock, then, for purposes of this article—

(a) The fair market value of such stock shall be the fair market value at the time of the distribution or at the time of such change, whichever such value is higher;

(b) Such stock's ratable share of the amount which would have been a dividend if money had been distributed in lieu of stock shall be determined as of the time of distribution or as of the time of such change, whichever such ratable share is higher; and

(c) Section 24466(b) shall not apply unless the stock meets the requirements of such section both at the time of such distribution and at the time of such change.

Applicability

24471. If stock—

(a) Was received in a distribution or reorganization to which the Bank and Corporation Tax Law of 1954 (or the corresponding provisions of prior law) applied;

(b) Such stock would have been Section 24464 stock if this part applied to such distribution or reorganization; and

(c) Such stock is disposed of or redeemed on or after December 31, 1954, then Sections 24464 to 24470, inclusive, shall not apply in respect of such disposition or redemption. The extent to which such disposition or redemption shall be treated as a dividend shall be determined as if the Bank and Corporation Tax Law of 1954 (as modified by the provisions of this part other than Sections 24464 to 24470, inclusive) continued to apply in respect of such disposition or redemption.

Basis of
stock

24473. (a) If a shareholder in a corporation receives its stock or rights to acquire its stock (referred to in this subsection as "new stock") in a distribution to which Section 24463(a) applies, then the basis of such new stock and of the stock with respect to which it is distributed (referred to in this section as "old stock"), respectively, shall, in the

shareholder's hands, be determined by allocating between the old stock and the new stock the adjusted basis of the old stock. Such allocation shall be made under regulations prescribed by the Franchise Tax Board.

(b) (1) If—

(A) A corporation distributes rights to acquire its stock to a shareholder in a distribution to which Section 24463(a) applies, and

(B) The fair market value of such rights at the time of the distribution is less than 15 percent of the fair market value of the old stock at such time,

then subsection (a) shall not apply and the basis of such rights shall be zero, unless the taxpayer elects under paragraph (2) of this subsection to determine the basis of the old stock and of the stock rights under the method of allocation provided in subsection (a).

(2) The election referred to in paragraph (1) shall be made in the return filed within the time prescribed by law (including extensions thereof) for the taxable year in which such rights were received. Such election shall be made in such manner as the Franchise Tax Board may by regulations prescribe, and shall be irrevocable when made.

Article 2. Effects on Distributor

24481. Except as provided in Sections 24482 and 24483 and Section 24670, no gain or loss shall be recognized to a corporation on the distribution, with respect to its stock, of— Nonrecognizable gains and losses

(a) Its stock (or rights to acquire its stock); or

(b) Property.

24482. (a) If a corporation inventorying goods under the method provided in Sections 24702 to 24706, inclusive (relating to last-in, first-out inventories), distributes inventory assets (as defined in subsection (b)(1)), then the amount (if any) by which— Distribution of inventory assets

(1) The inventory amount (as defined in subsection (b)(2)) of such assets under a method authorized by Section 24701 (relating to general rule for inventories), exceeds

(2) The inventory amount of such assets under the method provided in Sections 24702 to 24706, inclusive, shall be treated as gain to the corporation recognized from the sale of such inventory assets.

(b) For purposes of subsection (a)—

(1) The term "inventory assets" means stock in trade of the corporation, or other property of a kind which would properly be included in the inventory of the corporation if on hand at the close of the income year. "Inventory assets"

(2) The term "inventory amount" means, in the case of inventory assets distributed during an income year, the amount of such inventory assets determined as if the income year closed at the time of such distribution. "Inventory amount"

In termina-
tion of
inventory
amount

(c) For purposes of this section, the inventory amount of assets under a method authorized by Section 24701 shall be determined—

(1) If the corporation uses the retail method of valuing inventories under Sections 24702 to 24706, inclusive, by using such method; or

(2) If paragraph (1) does not apply, by using cost or market, whichever is lower.

Recognizable
gain on
property
distribution

24483. If—

(a) A corporation distributes property to a shareholder with respect to its stock;

(b) Such property is subject to a liability, or the shareholder assumes a liability of the corporation in connection with the distribution; and

(c) The amount of such liability exceeds the adjusted basis (in the hands of the distributing corporation) of such property;

then gain shall be recognized to the distributing corporation in an amount equal to such excess as if the property distributed had been sold at the time of the distribution. In the case of a distribution of property subject to a liability which is not assumed by the shareholder, the amount of gain to be recognized under the preceding sentence shall not exceed the excess, if any, of the fair market value of such property over its adjusted basis.

Decrease of
earnings,
etc.

24484. Except as otherwise provided in this section, and Sections 24485 to 24491, inclusive, on the distribution of property by a corporation with respect to its stock, the earnings and profits of the corporation (to the extent thereof) shall be decreased by the sum of—

(a) The amount of money;

(b) The principal amount of the obligations of such corporation; and

(c) The adjusted basis of the other property, so distributed.

Adjustment
of earnings
and profits

24485. (a) On the distribution by a corporation, with respect to its stock, of inventory assets (as defined in subsection (b)(1)) the fair market value of which exceeds the adjusted basis thereof, the earnings and profits of the corporation—

(1) Shall be increased by the amount of such excess; and

(2) Shall be decreased by whichever of the following is the lesser:

(A) The fair market value of the inventory assets distributed;

or

(B) The earnings and profits (as increased under paragraph (1)).

"Inventory
assets"

(b) (1) For purposes of subsection (a), the term "inventory assets" means—

(A) Stock in trade of the corporation, or other property of a kind which would properly be included in the inventory of the corporation if on hand at the close of the income year;

(B) Property held by the corporation primarily for sale to customers in the ordinary course of its trade or business; and

(C) Unrealized receivables or fees, except receivables from sales or exchanges of assets other than assets described in this paragraph.

(2) For purposes of paragraph (1)(C), the term "unrealized receivables or fees" means, to the extent not previously includible in income under the method of accounting used by the corporation, any rights (contractual or otherwise) to payment for—

"Unrealized
receivables
or fees"

(A) Goods delivered, or to be delivered, to the extent that the proceeds therefrom would be treated as amounts received from the sale or exchange of property other than a capital asset; or

(B) Services rendered or to be rendered.

24486. In making the adjustments to the earnings and profits of a corporation under Section 24484 or 24485, proper adjustment shall be made for—

Additional
adjustments

(a) The amount of any liability to which the property distributed is subject;

(b) The amount of any liability of the corporation assumed by a shareholder in connection with the distribution; and

(c) Any gain to the corporation recognized under Section 24482 or 24483.

24487. (a) The distribution to a distributee by or on behalf of a corporation of its stock or securities, of stock or securities in another corporation, or of property, in a distribution to which this part applies, shall not be considered a distribution of the earnings and profits of any corporation—

Distribution
of stock,
etc., in
another
corporation

(1) If no gain to such distributee from the receipt of such stock or securities, or property, was recognized under this part; or

(2) If the distribution was not subject to tax in the hands of such distributee by reason of Section 24463(a).

(b) In the case of a distribution of stock or securities, or property, to which Section 23911g of the Bank and Corporation Tax Law of 1954 (or the corresponding provision of prior law) applied, the effect on earnings and profits of such distribution shall be determined under such Section 23911g of the Bank and Corporation Tax Law of 1954, or the corresponding provision of prior law, as the case may be.

(c) For purposes of this section, the term "stock or securities" includes rights to acquire stock or securities.

"Stock or
securities"

24488. In the case of amounts distributed in partial liquidation or in a redemption to which Section 24455 applies, the part of such distribution which is properly chargeable to capital account shall not be treated as a distribution of earnings and profits.

Distributions
in partial
liquida-
tion, etc

24489. (a) The gain or loss realized from the sale or other disposition (after February 28, 1913) of property by a corporation—

Computation
of realized
gain or loss

(1) For the purpose of the computation of the earnings and profits of the corporation, shall (except as provided in paragraph (2)) be determined by using as the adjusted basis the adjusted basis (under the law applicable to the year in which the sale or other disposition was made) for determining gain, except that no regard shall be had to the value of the property as of March 1, 1913; but

(2) For purposes of the computation of the earnings and profits of the corporation for any period beginning after February 28, 1913, shall be determined by using as the adjusted basis the adjusted basis (under the law applicable to the year in which the sale or other disposition was made) for determining gain.

Gain or loss so realized shall increase or decrease the earnings and profits to, but not beyond, the extent to which such a realized gain or loss was recognized in computing taxable income under the law applicable to the year in which such sale or disposition was made. Where, in determining the adjusted basis used in computing such realized gain or loss, the adjustment to the basis differs from the adjustment proper for the purpose of determining earnings and profits, then the latter adjustment shall be used in determining the increase or decrease above provided. For purposes of this section, a loss with respect to which a deduction is disallowed under Section 24998 (relating to wash sales of stock or securities), or the corresponding provision of prior law, shall not be deemed to be recognized.

(b) Where a corporation receives (after February 28, 1913) a distribution from a second corporation which (under the law applicable to the year in which the distribution was made) was not a taxable dividend to the shareholders of the second corporation, the amount of such distribution shall not increase the earnings and profits of the first corporation in the following cases:

(1) No such increase shall be made in respect of the part of such distribution which (under such law) is directly applied in reduction of the basis of the stock in respect of which the distribution was made; and

(2) No such increase shall be made if (under such law) the distribution causes the basis of the stock in respect of which the distribution was made to be allocated between such stock and the property received (or such basis would, but for Section 24473(b), be so allocated).

24490 (a) If any increase or decrease in the earnings and profits for any period beginning after February 28, 1913, with respect to any matter would be different had the adjusted basis of the property involved been determined without regard to its March 1, 1913, value, then, except as provided in subsection (b), an increase (properly reflecting such difference) shall be made in that part of the earnings and profits consisting of increase in value of property accrued before March 1, 1913.

Same When
increase in
value of
property ac-
crued before
March 1,
1913

(b) If the application of Section 24489 to a sale or other disposition after February 28, 1913, results in a loss which is to be applied in decrease of earnings and profits for any period beginning after February 28, 1913, then, notwithstanding Section 24489 and in lieu of the rule provided in subsection (a), the amount of such loss so to be applied shall be reduced by the amount, if any, by which the adjusted basis of the property used in determining the loss exceeds the adjusted basis computed without regard to the value of the property on March 1, 1913, and if such amount so applied in reduction of the decrease exceeds such loss, the excess over such loss shall increase that part of the earnings and profits consisting of increase in value of property accrued before March 1, 1913.

24491. In the case of a distribution or exchange to which Section 24533 (or so much of Sections 24535 to 24539, inclusive, as relate to Section 24533) applies, proper allocation with respect to the earnings and profits of the distributing corporation and the controlled corporation (or corporations) shall be made under regulations prescribed by the Franchise Tax Board.

Authority to prescribe regulations re allocation of earnings, etc.

24492. If the whole or any part of a dividend is paid to a shareholder in any medium other than money, then the property received other than money shall be included in gross income at its fair market value at the time as of which it becomes income to the shareholder.

Dividend in medium other than money

24495. For purposes of this part, the term "dividend" means any distribution of property made by a corporation to its shareholders—

"Dividend"

(a) Out of its earnings and profits accumulated after February 28, 1913; or

(b) Out of its earnings and profits of the income year (computed as of the close of the income year without diminution by reason of any distributions made during the income year), without regard to the amount of the earnings and profits at the time the distribution was made.

Except as otherwise provided in this part, every distribution is made out of earnings and profits to the extent thereof, and from the most recently accumulated earnings and profits. To the extent that any distribution is, under any provision of this chapter, treated as a distribution of property to which Sections 24451 and 24453 apply, such distribution shall be treated as a distribution of property for purposes of this section.

24496. (a) For purposes of this article, the term "property" means money, securities, and any other property; except that such term does not include stock in the corporation making the distribution (or rights to acquire such stock).

"Property"

(b) For purposes of this article, stock shall be treated as redeemed by a corporation if the corporation acquires its stock from a shareholder in exchange for property, whether or not the stock so acquired is canceled, retired, or held as treasury stock.

Stock treated as redeemed

Ownership
of stock

24497. (a) For purposes of those provisions of this chapter to which the rules contained in this section are expressly made applicable—

(1) (A) An individual shall be considered as owning the stock owned, directly or indirectly, by or for—

(i) His spouse (other than a spouse who is legally separated from the individual under a decree of divorce or separate maintenance); and

(ii) His children, grandchildren, and parents.

(B) For purposes of subparagraph (A)(ii), a legally adopted child of an individual shall be treated as a child of such individual by blood.

(2) If 50 percent or more in value of the stock in a corporation is owned, directly or indirectly, by or for any person, then—

(A) Such person shall be considered as owning the stock owned, directly or indirectly, by or for that corporation, in that proportion which the value of the stock which such person so owns bears to the value of all the stock in such corporation; and

(B) Such corporation shall be considered as owning the stock owned, directly or indirectly, by or for that person.

(3) If any person has an option to acquire stock, such stock shall be considered as owned by such person. For purposes of this paragraph, an option to acquire such an option, and each one of a series of such options, shall be considered as an option to acquire such stock.

(4) (A) Except as provided in subparagraph (B), stock constructively owned by a person by reason of the application of paragraph (1), (2), or (3) shall, for purposes of applying paragraph (1), (2), or (3), be treated as actually owned by such person.

(B) Stock constructively owned by an individual by reason of the application of paragraph (1) shall not be treated as owned by him for purposes of again applying paragraph (1) in order to make another the constructive owner of such stock.

(C) For purposes of this paragraph, if stock may be considered as owned by an individual under paragraph (1) or (3), it shall be considered as owned by him under paragraph (3).

CHAPTER 9. CORPORATE LIQUIDATIONS

Article 1. Effects on Recipients

Distribu-
tions
Complete
and partial
liquidation

24501. (a) Amounts distributed in complete liquidation of a corporation shall be treated as in full payment in exchange for the stock.

(b) Amounts distributed in partial liquidation of a corporation (as defined in Section 24516) shall be treated as in part or full payment in exchange for the stock.

24502. (a) No gain or loss shall be recognized on the receipt by a corporation of property distributed in complete liquidation of another corporation. Complete liquidation of another corporation

(b) For purposes of subsection (a), a distribution shall be considered to be in complete liquidation only if—

(1) The corporation receiving such property was, on the date of the adoption of the plan of liquidation, and has continued to be at all times until the receipt of the property, the owner of stock (in such other corporation) possessing at least 80 percent of the total combined voting power of all classes of stock entitled to vote and the owner of at least 80 percent of the total number of shares of all other classes of stock (except nonvoting stock which is limited and preferred as to dividends); and either

(2) The distribution is by such other corporation in complete cancellation or redemption of all its stock, and the transfer of all the property occurs within the income year; in such case the adoption by the shareholders of the resolution under which is authorized the distribution of all the assets of such corporation in complete cancellation or redemption of all its stock shall be considered an adoption of a plan of liquidation, even though no time for the completion of the transfer of the property is specified in such resolution; or

(3) Such distribution is one of a series of distributions by such other corporation in complete cancellation or redemption of all its stock in accordance with a plan of liquidation under which the transfer of all the property under the liquidation is to be completed within three years from the close of the income year during which is made the first of the series of distributions under the plan, except that if such transfer is not completed within such period, or if the taxpayer does not continue qualified under paragraph (1) until the completion of such transfer, no distribution under the plan shall be considered a distribution in complete liquidation.

If such transfer of all the property does not occur within the income year, the Franchise Tax Board may require of the taxpayer such bond, or waiver of the statute of limitations on assessment and collection, or both, as he may deem necessary to insure, if the transfer of the property is not completed within such three-year period, or if the taxpayer does not continue qualified under paragraph (1) until the completion of such transfer, the assessment and collection of all taxes then imposed by law for such income year or subsequent income years, to the extent attributable to property so received. A distribution otherwise constituting a distribution in complete liquidation within the meaning of this subsection shall not be considered as not constituting such a distribution merely because it does not constitute a distribution or liquidation within the meaning of the corporate law under which the distribution is made; and for purposes of this subsection a transfer of property of such other corporation to the taxpayer shall not be considered as not constituting a distribution (or one of a series

of distributions) in complete cancellation or redemption of all the stock of such other corporation, merely because the carrying out of the plan involves (A) the transfer under the plan to the taxpayer by such other corporation of property, not attributable to shares owned by the taxpayer, on an exchange described in Section 24551, and (B) the complete cancellation or redemption under the plan, as a result of exchanges described in Section 24531, of the shares not owned by the taxpayer.

(c) If—

(1) A corporation is liquidated and subsection (a) applies to such liquidation; and

(2) On the date of the adoption of the plan of liquidation, such corporation was indebted to the corporation which meets the 80 percent stock ownership requirements specified in subsection (b);

then no gain or loss shall be recognized to the corporation so indebted because of the transfer of property in satisfaction of such indebtedness.

24503. (a) In the case of property distributed in complete liquidation of a corporation, if—

Complete liquidation. Recognizable gain to qualified electing shareholder

(1) The liquidation is made in pursuance of a plan of liquidation adopted on or after December 31, 1954; and

(2) The distribution is in complete cancellation or redemption of all the stock, and the transfer of all the property under the liquidation occurs within some one calendar month;

then in the case of each qualified electing shareholder (as defined in subsection (c)) gain on the shares owned by him at the time of the adoption of the plan of liquidation shall be recognized only to the extent provided in subsection (f).

“Excluded corporation”

(b) For purposes of this section, the term “excluded corporation” means a corporation which at any time between January 1, 1955, and the date of the adoption of the plan of liquidation, both dates inclusive, was the owner of stock possessing 50 percent or more of the total combined voting power of all classes of stock entitled to vote on the adoption of such plan.

“Qualified electing shareholder”

(c) For purposes of this section, the term “qualified electing shareholder” means a shareholder (other than an excluded corporation) of any class of stock (whether or not entitled to vote on the adoption of the plan of liquidation) who is a shareholder at the time of the adoption of such plan, and whose written election to have the benefits of subsection (a) has been made and filed in accordance with subsection (d), but—

(1) In the case of a shareholder other than a corporation, only if written elections have been so filed by shareholders (other than corporations) who at the time of the adoption of the plan of liquidation are owners of stock possessing at least 80 percent of the total combined voting power (exclusive of voting power possessed by stock owned by corporations) of all

classes of stock entitled to vote on the adoption of such plan of liquidation; or

(2) In the case of a shareholder which is a corporation, only if written elections have been so filed by corporate shareholders (other than an excluded corporation) which at the time of the adoption of such plan of liquidation are owners of stock possessing at least 80 percent of the total combined voting power (exclusive of voting power possessed by stock owned by an excluded corporation and by shareholders who are not corporations) of all classes of stock entitled to vote on the adoption of such plan of liquidation.

(d) The written elections referred to in subsection (c) must be made and filed in such manner as to be not in contravention of regulations prescribed by the Franchise Tax Board. The filing must be within 30 days after the date of the adoption of the plan of liquidation.

(f) In the case of a qualified electing shareholder which is a corporation, the gain shall be recognized only to the extent of the greater of the two following—

(1) The portion of the assets received by it which consists of money, or of stock or securities acquired by the liquidating corporation after December 31, 1954; or

(2) Its ratable share of the earnings and profits of the liquidating corporation accumulated after February 28, 1913, such earnings and profits to be determined as of the close of the month in which the transfer in liquidation occurred under subsection (a)(2), but without diminution by reason of distributions made during such month; but by including in the computation thereof all amounts accrued up to the date on which the transfer of all the property under the liquidation is completed.

24504. (a) If property is received in a distribution in partial or complete liquidation (other than a distribution to which Section 24503 applies), and if gain or loss is recognized on the receipt of such property, then the basis of the property in the hands of the distributee shall be the fair market value of such property at the time of the distribution.

Basis of
property
received in
liquidation

(b) (1) If property is received by a corporation in a distribution in complete liquidation of another corporation (within the meaning of Section 24502(b)), then except as provided in paragraph (2), the basis of the property in the hands of the distributee shall be the same as it would be in the hands of the transferor. If the property is received by a corporation in a transfer to which Section 24502(c) applies, and if paragraph (2) of this subsection does not apply, then the basis of the property in the hands of the transferee shall be the same as it would be in the hands of the transferor.

(2) If property is received by a corporation in a distribution in complete liquidation of another corporation (within the meaning of Section 24502(b)), and if—

(A) The distribution is pursuant to a plan of liquidation adopted—

(i) On or after December 31, 1954; and

(ii) Not more than two years after the date of the transaction described in subparagraph (B) (or, in the case of a series of transactions, the date of the last such transaction); and

(B) Stock of the distributing corporation possessing at least 80 percent of the total combined voting power of all classes of stock entitled to vote, and at least 80 percent of the total number of shares of all other classes of stock (except nonvoting stock which is limited and preferred as to dividends), was acquired by the distributee by purchase (as defined in paragraph (3)) during a period of not more than 12 months,

then the basis of the property in the hands of the distributee shall be the adjusted basis of the stock with respect to which the distribution was made. For purposes of the preceding sentence, under regulations prescribed by the Franchise Tax Board, proper adjustment in the adjusted basis of any stock shall be made for any distribution made to the distributee with respect to such stock before the adoption of the plan of liquidation, for any money received, for any liabilities assumed or subject to which the property was received, and for other items.

“Purchase”

(3) For purposes of paragraph (2)(B), the term “purchase” means any acquisition of stock, but only if—

(A) The basis of the stock in the hands of the distributee is not determined in whole or in part by reference to the adjusted basis of such stock in the hands of the person from whom acquired;

(B) The stock is not acquired in an exchange to which Section 24521 applies; and

(C) The stock is not acquired from a person the ownership of whose stock would, under Section 24497(a), be attributed to the person acquiring such stock.

“Distributee”

(4) For purposes of this subsection, the term “distributee” means only the corporation which meets the 80 percent stock ownership requirements specified in Section 24502(b).

(c) If—

(1) Property was acquired by a shareholder in the liquidation of a corporation in cancellation or redemption of stock; and

(2) With respect to such acquisition—

(A) Gain was realized; but

(B) As the result of an election made by the shareholder under Section 24503, the extent to which gain was recognized was determined under Section 24503;

then the basis shall be the same as the basis of such stock canceled or redeemed in the liquidation, decreased in the amount of any money received by the shareholder, and increased in the amount of gain recognized to him.

Article 2. Effects on Distributor

24511. Except as provided in Section 24670 (relating to disposition of installment obligations), no gain or loss shall be recognized to a corporation on the distribution of property in partial or complete liquidation.

Effect on
distributor
in liquidation

24512. If—

(a) A corporation adopts a plan of complete liquidation on or after December 31, 1954; and

Plan of
complete
liquidation

(b) Within the 12-month period beginning on the date of the adoption of such plan, all of the assets of the corporation are distributed in complete liquidation, less assets retained to meet claims;

then no gain or loss shall be recognized to such corporation from the sale or exchange by it of property within such 12-month period.

24513. (a) For purposes of Section 24512, the term “property” does not include—

“Property”

(1) Stock in trade of the corporation, or other property of a kind which would properly be included in the inventory of the corporation if on hand at the close of the taxable year, and property held by the corporation primarily for sale to customers in the ordinary course of its trade or business;

Exclusions

(2) Installment obligations acquired in respect of the sale or exchange (without regard to whether such sale or exchange occurred before, on, or after the date of the adoption of the plan referred to in Section 24512 of stock in trade or other property described in paragraph (1)); and

(3) Installment obligations acquired in respect of property (other than property described in paragraph (1)) sold or exchanged before the date of the adoption of such plan of liquidation.

(b) Notwithstanding subsection (a), if substantially all of the property described in paragraph (1) of subsection (a) which is attributable to a trade or business of the corporation is, in accordance with this section, sold or exchanged to one person in one transaction, then for purposes of Section 24512 the term “property” includes—

(1) Such property so sold or exchanged; and

Inclusions

(2) Installment obligations acquired in respect of such sale or exchange.

24514. (a) This section and Sections 24512 and 24513 shall not apply to any sale or exchange following the adoption of a plan of complete liquidation, if Section 24503 applies with respect to such liquidation.

Sales, etc.,
following
adoption of
liquidation
plan

(b) In the case of a sale or exchange following the adoption of a plan of complete liquidation, if Section 24502 applies with respect to such liquidation, then

(1) If the basis of the property of the liquidating corporation in the hands of the distributee is determined under Section 24504(b)(1), this section and Sections 24512 and 24513 shall not apply; or

(2) If the basis of the property of the liquidating corporation in the hands of the distributee is determined under Section 24504(b)(2), this section and Sections 24512 and 24513 shall apply only to that portion (if any) of the gain which is not greater than the excess of (A) that portion of the adjusted basis (adjusted for any adjustment required under the second sentence of Section 24504(b)(2)) of the stock of the liquidating corporation which is allocable, under regulations prescribed by the Franchise Tax Board, to the property sold or exchanged, over (B) the adjusted basis, in the hands of the liquidating corporation, of the property sold or exchanged.

When
distribution
treated as
partial
liquidation

24516. (a) For purposes of this chapter, a distribution shall be treated as in partial liquidation of a corporation if—

(1) The distribution is one of a series of distributions in redemption of all of the stock of the corporation pursuant to a plan; or

(2) The distribution is not essentially equivalent to a dividend, is in redemption of a part of the stock of the corporation pursuant to a plan, and occurs within the income year in which the plan is adopted or within the succeeding income year, including (but not limited to) a distribution which meets the requirements of subsection (b).

(b) A distribution shall be treated as a distribution described in subsection (a)(2) if the requirements of paragraphs (1) and (2) of this subsection are met.

(1) The distribution is attributable to the corporation's ceasing to conduct, or consists of the assets of, a trade or business which has been actively conducted throughout the five-year period immediately before the distribution, which trade or business was not acquired by the corporation within such period in a transaction in which gain or loss was recognized in whole or in part.

(2) Immediately after the distribution the liquidating corporation is actively engaged in the conduct of a trade or business, which trade or business was actively conducted throughout the five-year period ending on the date of the distribution and was not acquired by the corporation within such period in a transaction in which gain or loss was recognized in whole or in part.

Whether or not a distribution meets the requirements of paragraphs (1) and (2) of this subsection shall be determined without regard to whether or not the distribution is pro rata with respect to all of the shareholders of the corporation.

CHAPTER 10. CORPORATE ORGANIZATIONS AND REORGANIZATIONS

Article 1. Corporate Organizations

Transfer of
property for
stock, etc.

24521. (a) No gain or loss shall be recognized if property is transferred to a corporation by one or more persons solely in exchange for stock or securities in such corporation and immediately after the exchange such person or persons are in

control (as defined in Section 24564) of the corporation. For purposes of this section, stock or securities issued for services shall not be considered as issued in return for property.

(b) If subsection (a) would apply to an exchange but for the fact that there is received, in addition to the stock or securities permitted to be received under subsection (a), other property or money, then—

(1) Gain (if any) to such recipient shall be recognized, but not in excess of—

(A) The amount of money received, plus

(B) The fair market value of such other property received; and

(2) No loss to such recipient shall be recognized.

(c) In determining control, for purposes of this section, the fact that any corporate transferor distributes part or all of the stock which it receives in the exchange to its shareholders shall not be taken into account.

Article 2. Effects on Shareholders and Security Holders

24531. (a) (1) No gain or loss shall be recognized if stock or securities in a corporation a party to a reorganization are, in pursuance of the plan of reorganization, exchanged solely for stock or securities in such corporation or in another corporation a party to the reorganization. Exchanges in a reorganization

(2) Paragraph (1) shall not apply if—

(A) The principal amount of any such securities received exceeds the principal amount of any such securities surrendered; or

(B) Any such securities are received and no such securities are surrendered

(b) (1) Subsection (a) shall not apply to an exchange in pursuance of a plan of reorganization within the meaning of Section 24562(a)(4), unless—

(A) The corporation to which the assets are transferred acquires substantially all of the assets of the transferor of such assets; and

(B) The stock, securities, and other properties received by such transferor, as well as the other properties of such transferor, are distributed in pursuance of the plan of reorganization.

(c) Notwithstanding any other provision of this chapter, subsection (a)(1) (and so much of Sections 24535 to 24539, inclusive, as relate to this section) shall apply with respect to a plan of reorganization (whether or not a reorganization within the meaning of Section 24562) for a railroad approved by the Interstate Commerce Commission under Section 77 of the Bankruptcy Act, or under Section 20b of the Interstate Commerce Act, as being in the public interest.

24533 If there is distributed, in pursuance of a plan of reorganization, to a shareholder of a corporation which is a party to the reorganization, stock (other than preferred stock) Stock distribution

in another corporation which is a party to the reorganization, without the surrender by such shareholder of stock, no gain to the distributee from the receipt of such stock shall be recognized unless it appears that (a) any corporation which is a party to such reorganization was not intended to continue the active conduct of a trade or business after such reorganization, or (b) the corporation whose stock is distributed was used principally as a device for the distribution of earnings and profits to the shareholders of any corporation a party to the reorganization.

Property
or money
received in
exchange for
which gain
is partially
recognized

24535. (a) If—

(1) Section 24531 or 24533 would apply to an exchange but for the fact that—

(2) The property received in the exchange consists not only of property permitted by Section 24531 or 24533 to be received without the recognition of gain but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property.

(b) If an exchange is described in subsection (a) but has the effect of the distribution of a dividend, then there shall be treated as a dividend to each distributee such an amount of the gain recognized under subsection (a) as is not in excess of his ratable share of the undistributed earnings and profits of the corporation accumulated after February 28, 1913. The remainder, if any, of the gain recognized under subsection (a) shall be treated as gain from the exchange of property.

Property or
money
received in
distribution
for which
gain is
partially
recognized

24536. If—

(a) Section 24533 would apply to a distribution but for the fact that—

(b) The property received in the distribution consists not only of property permitted by Section 24533 to be received without the recognition of gain, but also of other property or money;

then an amount equal to the sum of such money and the fair market value of such other property shall be treated as a distribution of property to which Sections 24451 and 24453 apply.

Loss from
exchange on
distribution

24537. If—

(a) Section 24531 would apply to an exchange, or Section 24533 would apply to an exchange or distribution, but for the fact that—

(b) The property received in the exchange or distribution consists not only of property permitted by Section 24531 or 24533 to be received without the recognition of gain or loss, but also of other property or money; then no loss from the exchange or distribution shall be recognized.

24538. For purposes of Sections 24535 to 24539, inclusive—

“Other
property”

(a) Except as provided in subsection (b), the term “other property” includes securities.

(b) The term "other property" does not include securities to the extent that, under Section 24531, such securities would be permitted to be received without the recognition of gain.

If—

(1) In any exchange described in Section 24531 (other than subsection (c) thereof), securities of a corporation a party to the reorganization are surrendered and securities of any corporation a party to the reorganization are received; and

(2) The principal amount of such securities received exceeds the principal amount of such securities surrendered;

then, with respect to such securities received, the term "other property" means only the fair market value of such excess. For purposes of this subsection and subsection (c), if no securities are surrendered, the excess shall be the entire principal amount of the securities received.

(c) If, in an exchange or distribution described in Section 24533, the principal amount of the securities in the controlled corporation which are received exceeds the principal amount of the securities in the distributing corporation which are surrendered, then, with respect to such securities received, the term "other property" means only the fair market value of such excess.

24539. Notwithstanding any other provision of these Sections 24535 to 24539, inclusive, to the extent that any of the other property (or money) is received in exchange for Section 24464 stock, an amount equal to the fair market value of such other property (or the amount of such money) shall be treated as a distribution of property to which Sections 24451 to 24454, inclusive, apply.

Other
property
received in
exchange

24540. (a) Except as provided in subsections (b) and (c), if—

Assumption
of liability,
etc., not
treated as
money, etc

(1) The taxpayer receives property which would be permitted to be received under Section 24521, 24551, or 24571 without the recognition of gain if it were the sole consideration; and

(2) As part of the consideration, another party to the exchange assumes a liability of the taxpayer, or acquires from the taxpayer property subject to a liability;

then such assumption or acquisition shall not be treated as money or other property, and shall not prevent the exchange from being within the provisions of Section 24521, 24551, or 24571, as the case may be.

(b) (1) If, taking into consideration the nature of the liability and the circumstances in the light of which the arrangement for the assumption or acquisition was made, it appears that the principal purpose of the taxpayer with respect to the assumption or acquisition described in subsection (a)—

(A) Was a purpose to avoid tax under this part on the exchange; or

(B) If not such purpose, was not a bona fide business purpose;

then such assumption or acquisition (in the total amount of the liability assumed or acquired pursuant to such exchange) shall, for purposes of Section 24521, 24551, or 24571 (as the case may be), be considered as money received by the taxpayer on the exchange.

(2) In any suit or proceeding where the burden is on the taxpayer to prove such assumption or acquisition is not to be treated as money received by the taxpayer, such burden shall not be considered as sustained unless the taxpayer sustains such burden by the clear preponderance of the evidence.

(c) (1) In the case of an exchange—

(A) To which Section 24521 applies; or

(B) To which Section 24551 applies by reason of a plan of reorganization within the meaning of Section 24562(a)(4), if the sum of the amount of the liabilities assumed, plus the amount of the liabilities to which the property is subject, exceeds the total of the adjusted basis of the property transferred pursuant to such exchange, then such excess shall be considered as a gain from the sale or exchange of a capital asset or of property which is not a capital asset, as the case may be.

(2) Paragraph (1) shall not apply to any exchange to which—

(A) Subsection (b)(1) of this section applies; or

(B) Section 24571 applies.

Basis of
exchanged
property

24541. (a) In the case of an exchange to which Section 24521, 24531, 24533, 24535, 24551, or 24571 applies—

(1) The basis of the property permitted to be received under such section without the recognition of gain or loss shall be the same as that of the property exchanged—

(A) Decreased by—

(i) The fair market value of any other property (except money) received by the taxpayer; and

(ii) The amount of any money received by the taxpayer; and

(B) Increased by—

(i) The amount which was treated as a dividend; and

(ii) The amount of gain to the taxpayer which was recognized on such exchange (not including any portion of such gain which was treated as a dividend).

(2) The basis of any other property (except money) received by the taxpayer shall be its fair market value.

(b) (1) Under regulations prescribed by the Franchise Tax Board, the basis determined under subsection (a)(1) shall be allocated among the properties permitted to be received without the recognition of gain or loss.

(2) In the case of an exchange to which Section 24533 (or so much of Section 24535 as relates to Section 24533) applies, then in making the allocation under paragraph (1) of this subsection, there shall be taken into account not only the prop-

erty so permitted to be received without the recognition of gain or loss, but also the stock or securities (if any) of the distributing corporation which are retained, and the allocation of basis shall be made among all such properties.

(c) For purposes of this section, a distribution to which Section 24533 (or so much of Section 24535 as relates to Section 24533) applies shall be treated as an exchange, and for such purposes the stock and securities of the distributing corporation which are retained shall be treated as surrendered, and received back, in the exchange.

(d) Where, as part of the consideration to the taxpayer, another party to the exchange assumed a liability of the taxpayer or acquired from the taxpayer property subject to a liability, such assumption or acquisition (in the amount of the liability) shall, for purposes of this section, be treated as money received by the taxpayer on the exchange.

(e) This section shall not apply to property acquired by a corporation by the issuance of its stock or securities as consideration in whole or in part for the transfer of the property to it.

Article 3. Effects on Corporations

24551. (a) No gain or loss shall be recognized if a corporation a party to a reorganization exchanges property, in pursuance of the plan of reorganization, solely for stock or securities in another corporation a party to the reorganization.

Exchange of property for stock under reorganization

(b) (1) If subsection (a) would apply to an exchange but for the fact that the property received in exchange consists not only of stock or securities permitted by subsection (a) to be received without the recognition of gain, but also of other property or money, then—

(A) If the corporation receiving such other property or money distributes it in pursuance of the plan of reorganization, no gain to the corporation shall be recognized from the exchange, but

(B) If the corporation receiving such other property or money does not distribute it in pursuance of the plan of reorganization, the gain, if any, to the corporation shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property so received, which is not so distributed.

(2) If subsection (a) would apply to an exchange but for the fact that the property received in exchange consists not only of property permitted by subsection (a) to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange shall be recognized.

24552. If property was acquired on or after December 31, 1954, by a corporation—

Basis Property acquired on or after December 31, 1954

(a) In connection with a transaction to which Section 24521 (relating to transfer of property to corporation controlled by transferor) applies; or

(b) As paid-in surplus or as a contribution to capital, then the basis shall be the same as it would be in the hands of the transferor, increased in the amount of gain recognized to the transferor on such transfer.

Basis

24553. If property was acquired by a corporation in connection with a reorganization to which this article applies, then the basis shall be the same as it would be in the hands of the transferor, increased in the amount of gain recognized to the transferor on such transfer. This section shall not apply if the property acquired consists of stock or securities in a corporation a party to the reorganization, unless acquired by the issuance of stock or securities of the transferee as the consideration in whole or in part for the transfer.

Property
other than
money

24554. (a) Notwithstanding Section 24552(b), if property other than money—

(1) Is acquired by a corporation, on or after December 31, 1954, as a contribution to capital; and

(2) Is not contributed by a shareholder as such, then the basis of such property shall be zero.

(b) Notwithstanding Section 24552(b), if money—

(1) Is received by a corporation, on or after December 31, 1954, as a contribution to capital; and

(2) Is not contributed by a shareholder as such, then the basis of any property acquired with such money during the 12-month period beginning on the day the contribution is received shall be reduced by the amount of such contribution. The excess (if any) of the amount of such contribution over the amount of the reduction under the preceding sentence shall be applied to the reduction (as of the last day of the period specified in the preceding sentence) of the basis of any other property held by the taxpayer. The particular properties to which the reductions required by this subsection shall be allocated shall be determined under regulations prescribed by the Franchise Tax Board.

Stock

24555. If the property consists of stock distributed to a taxpayer in connection with a transaction described in Section 24533 (hereinafter in this section called "new stock"), or consists of stock in respect of which such distribution was made (hereinafter in this section called "old stock"), then the basis of the new stock and of the old stock, respectively, shall, in the shareholder's hands, be determined by allocating between the old stock and the new stock the adjusted basis of the old stock; such allocation to be made under regulations prescribed by the Franchise Tax Board.

Article 4. Special Rule; Definitions

Foreign
corporations

24561. In determining the extent to which gain shall be recognized in the case of any of the exchanges described in Section 24502, 24521, 24531, 24533, 24535, or 24551, a foreign corporation shall not be considered as a corporation unless, before such exchange, it has been established to the satisfaction

of the Franchise Tax Board that such exchange is not in pursuance of a plan having as one of its principal purposes the avoidance of taxes under this part.

24562. (a) For purposes of Chapters 8 and 9 and this chapter, the term "reorganization" means—

"Reorganization"

(1) A statutory merger or consolidation;

(2) The acquisition by one corporation, in exchange solely for all or a part of its voting stock, of stock of another corporation if, immediately after the acquisition, the acquiring corporation has control of such other corporation (whether or not such acquiring corporation had control immediately before the acquisition);

(3) The acquisition by one corporation, in exchange solely for all or a part of its voting stock (or in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring corporation), of substantially all of the properties of another corporation, but in determining whether the exchange is solely for stock the assumption by the acquiring corporation of a liability of the other, or the fact that property acquired is subject to a liability, shall be disregarded;

(4) A transfer by a corporation of all or a part of its assets to another corporation if immediately after the transfer the transferor, or one or more of its shareholders (including persons who were shareholders immediately before the transfer), or any combination thereof, is in control of the corporation to which the assets are transferred; but only if, in pursuance of the plan, stock or securities of the corporation to which the assets are transferred are distributed in a transaction which qualifies under Section 24531, 24533, or 24535;

(5) A recapitalization; or

(6) A mere change in identity, form, or place of organization, however effected.

(b) (1) If a transaction is described in both subsection (a)(3) and subsection (a)(4), then, for purposes of this chapter, such transaction shall be treated as described only in subsection (a)(4).

(2) If—

(A) One corporation acquires substantially all of the properties of another corporation;

(B) The acquisition would qualify under subsection (a)(3) but for the fact that the acquiring corporation exchanges money or other property in addition to voting stock; and

(C) The acquiring corporation acquires, solely for voting stock described in subsection (a)(3), property of the other corporation having a fair market value which is at least 80 percent of the fair market value of all of the property of the other corporation;

then such acquisition shall (subject to paragraph (1) of this subsection) be treated as qualifying under subsection (a)(3). Solely for the purpose of determining whether subparagraph

(C) of the preceding sentence applies, the amount of any liability assumed by the acquiring corporation, and the amount of any liability to which any property acquired by the acquiring corporation is subject, shall be treated as money paid for the property.

(3) A transaction otherwise qualifying under subsection (a) (1) or subsection (a) (3) shall not be disqualified by reason of the fact that part or all of the assets which were acquired in the transaction are transferred to a corporation controlled by the corporation acquiring such assets.

"A party
to a reor-
ganization"

24563. For purposes of this article, the term "a party to a reorganization" includes—

(a) A corporation resulting from a reorganization; and

(b) Both corporations, in the case of a reorganization resulting from the acquisition by one corporation of stock or properties of another.

In the case of a reorganization qualifying under Section 24562(a)(3), if the stock exchanged for the properties is stock of a corporation which is in control of the acquiring corporation, the term "a party to a reorganization" includes the corporation so controlling the acquiring corporation. In the case of a reorganization qualifying under subsection (a) (1) or (a) (3) of Section 24562 by reason of subsection (b) (3) of Section 24562, the term "a party to a reorganization" includes the corporation controlling the corporation to which the acquired assets are transferred.

"Control"

24564. For purposes of Chapter 8, and this article, the term "control" means the ownership of stock possessing at least 80 percent of the total combined voting power of all classes of stock entitled to vote and at least 80 percent of the total number of shares of all other classes of stock of the corporation.

CHAPTER 11. INSOLVENCY REORGANIZATIONS

Property
transferred
pursuant to
court order

24571. (a) No gain or loss shall be recognized if property of a corporation (other than a railroad corporation, as defined in Section 77(m) of the Bankruptcy Act (49 Stat. 922; 11 U. S. C. 205)) is transferred in pursuance of an order of the court having jurisdiction of such corporation—

(1) In a receivership, foreclosure, or similar proceeding; or

(2) In a proceeding under Chapter X of the Bankruptcy Act (52 Stat. 883-905; 11 U. S. C., Chapter 10) or the corresponding provisions of prior law;

to another corporation organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding, in exchange solely for stock or securities in such other corporation.

(b) If an exchange would be within the provisions of subsection (a) if it were not for the fact that the property received in exchange consists not only of stock or securities

permitted by subsection (a) to be received without the recognition of gain, but also of other property or money, then—

(1) If the corporation receiving such other property or money distributes it in pursuance of the plan of reorganization, no gain to the corporation shall be recognized from the exchange, but

(2) If the corporation receiving such other property or money does not distribute it in pursuance of the plan of reorganization, the gain, if any, to the corporation shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property so received, which is not so distributed.

24572 (a) No gain or loss shall be recognized on an exchange consisting of the relinquishment or extinguishment of stock or securities in a corporation the plan of reorganization of which is approved by the court in a proceeding described in Section 24571, in consideration of the acquisition solely of stock or securities in a corporation organized or made use of to effectuate such plan of reorganization.

Exchange consisting of relinquishment, etc., of stock, etc

(b) If an exchange would be within the provisions of subsection (a) if it were not for the fact that the property received in exchange consists not only of property permitted by subsection (a) to be received without the recognition of gain, but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property.

24573. If an exchange would be within the provisions of Section 24571(a) or 24572(a) if it were not for the fact that the property received in exchange consists not only of property permitted by Section 24571(a) or 24572(a) to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange shall be recognized.

No recognized loss in exchange

24574. In the case of a transaction involving an assumption of a liability or the acquisition of property subject to a liability, the rules provided in Section 24540 shall apply.

Assumption of liability

24575. If property was acquired by a corporation in a transfer to which—

Basis

(a) Section 24571 applies;

(b) So much of Section 24573 as relates to Section 24571 applies; or

(c) The corresponding provisions of prior law apply; then notwithstanding the provisions of Section 270 of the Bankruptcy Act (54 Stat. 709; 11 U. S. C. 670), the basis in the hands of the acquiring corporation shall be the same as it would be in the hands of the corporation whose property was so acquired, increased in the amount of gain recognized to the corporation whose property was so acquired under the law applicable to the year in which the acquisition occurred, and such basis shall not be adjusted under Section 24918 by reason

of a discharge of indebtedness in pursuance of the plan of reorganization under which such transfer was made.

Railroad
corporation
property
Transfer by
court order

24576. No loss shall be recognized if property of a railroad corporation, as defined in Section 77(m) of the Bankruptcy Act (49 Stat. 922; 11 U. S. C. 205), is transferred in pursuance of an order of the court having jurisdiction of such corporation—

(a) In a receivership proceeding; or

(b) In a proceeding under Section 77 of the Bankruptcy Act, to a railroad corporation (as defined in Section 77(m) of the Bankruptcy Act) organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding.

Property
acquired
after
December
31, 1942

24577. (a) If the property of a railroad corporation (as defined in Section 77(m) of the Bankruptcy Act) was acquired after December 31, 1942, in pursuance of an order of the court having jurisdiction of such corporation—

(1) In a receivership proceeding; or

(2) In a proceeding under Section 77 of the Bankruptcy Act, and the acquiring corporation is a railroad corporation (as defined in Section 77(m) of the Bankruptcy Act) organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding, the basis shall be the same as it would be in the hands of the railroad corporation whose property was so acquired.

(b) If the property of any street, suburban, or interurban electric railway corporation engaged as a common carrier in the transportation of persons or property in interstate commerce was acquired after December 31, 1942, in pursuance of an order of the court having jurisdiction of such corporation in a proceeding under Section 77B of the Bankruptcy Act (48 Stat. 912), and the acquiring corporation is a street, suburban, or interurban electric railway engaged as a common carrier in the transportation of persons or property in interstate commerce, organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding, then, notwithstanding the provisions of Section 270 of the Bankruptcy Act (52 Stat. 904; 11 U. S. C. 670), the basis shall be the same as it would be in the hands of the corporation whose property was so acquired.

CHAPTER 12. PENSION PLAN

Article 1. Pension, Profit-sharing, Stock Bonus Plans

Pension,
etc., plans.
Deduction of
contribu-
tions, etc

24601. If contributions are paid by an employer to or under a stock bonus, pension, profit-sharing, or annuity plan, or if compensation is paid or accrued on account of any employee under a plan deferring the receipt of such compensation, such contributions or compensation shall not be deductible under Section 24343 (relating to trade or business ex-

penses) but if they satisfy the conditions of the section, they shall be deductible under this section, subject, however, to the following limitations as to the amounts deductible in any year:

In the income year when paid, if the contributions are paid into a pension trust, and if such income year ends within or with an income year of the trust for which the trust is exempt under Section 17631 of Part 10, Division 2 of this code, in an amount determined as follows:

(a) An amount not in excess of 5 percent of the compensation otherwise paid or accrued during the income year to all the employees under the trust, but such amount may be reduced for future years if found by the Franchise Tax Board upon periodical examinations at not less than five-year intervals to be more than the amount reasonably necessary to provide the remaining unfunded cost of past and current service credits of all employees under the plan; plus

(b) Any excess over the amount allowable under paragraph (a) necessary to provide with respect to all of the employees under the trust the remaining unfunded cost of their past and current service credits distributed as a level amount, or a level percentage of compensation, over the remaining future service of each such employee, as determined under regulations prescribed by the Franchise Tax Board, but if such remaining unfunded cost with respect to any three individuals is more than 50 percent of such remaining unfunded cost, the amount of such unfunded cost attributable to such individuals shall be distributed over a period of at least five taxable years, or

(c) In lieu of the amounts allowable under paragraphs (a) and (b) above, an amount equal to the normal cost of the plan, as determined under regulations prescribed by the Franchise Tax Board, plus, if past service or other supplementary pension or annuity credits are provided by the plan, an amount not in excess of 10 percent of the cost which would be required to completely fund or purchase such pension or annuity credits as of the date when they are included in the plan, as determined under regulations prescribed by the Franchise Tax Board, except that in no case shall a deduction be allowed for any amount (other than the normal cost) paid in after such pension or annuity credits are completely funded or purchased.

(d) Any amount paid in an income year in excess of the amount deductible in such year under the foregoing limitations shall be deductible in the succeeding income years in order of time to the extent of the difference between the amount paid and deductible in each such succeeding year and the maximum amount deductible for such year in accordance with the foregoing limitations.

24602. In the income year when paid, in an amount determined in accordance with Section 24601, if the contributions are paid toward the purchase of retirement annuities and such purchase is a part of a plan which meets the requirements of Section 17501(c), (d), (e), and (f) of Part 10 of Division

Retirement
annuities

2 of this code, and if refunds of premiums, if any, are applied within the current income year or next succeeding income year toward the purchase of such retirement annuities.

Stock bonus
or profit-
sharing trust

24603. (a) In the income year when paid, if the contributions are paid into a stock bonus or profit-sharing trust, and if such income year ends within or with an income year of the trust with respect to which the trust is exempt under Section 17631 of Part 10 of Division 2 of this code, in an amount not in excess of 15 percent of the compensation otherwise paid or accrued during the income year to all employees under the stock bonus or profit-sharing plan. If in any income year there is paid into the trust, or a similar trust then in effect, amounts less than the amounts deductible under the preceding sentence, the excess, or if no amount is paid, the amounts deductible shall be carried forward and be deductible when paid in the succeeding income years in order of time, but the amount so deductible under this sentence in any such succeeding income year shall not exceed 15 percent of the compensation otherwise paid or accrued during such succeeding income year to the beneficiaries under the plan. In addition, any amount paid into the trust in any income year in excess of the amount allowable with respect to such year under the preceding provisions of this subsection shall be deductible in the succeeding income years in order of time, but the amount so deductible under this sentence in any one such succeeding income year together with the amount allowable under the first sentence of this subsection shall not exceed 15 percent of the compensation otherwise paid or accrued during such income year to the beneficiaries under the plan. The term "stock bonus or profit-sharing trust," as used in this subsection, shall not include any trust designed to provide benefits upon retirement and covering a period of years, if under the plan the amounts to be contributed by the employer can be determined actuarially as provided in Section 24601. If the contributions are made to two or more stock bonus or profit-sharing trusts, such trusts shall be considered a single trust for purposes of applying the limitations in this subsection.

(b) In the case of a profit-sharing plan, or a stock bonus plan in which contributions are determined with reference to profits, of a group of corporations which is an affiliated group within the meaning of Section 1504 of the Federal Internal Revenue Code of 1954, if any member of such affiliated group is prevented from making a contribution which it would otherwise have made under the plan, by reason of having no current or accumulated earnings or profits or because such earnings or profits are less than the contributions which it would otherwise have made, then so much of the contribution which such member was so prevented from making may be made, for the benefit of the employees of such member, by the other members of the group, to the extent of current or accumulated earnings or profits, except that such contribution by each such other member shall be limited, where the group does not file a consolidated

return, to that proportion of its total current and accumulated earnings or profits remaining after adjustment for its contribution deductible without regard to this subsection which the total prevented contribution bears to the total current and accumulated earnings or profits of all members of the group remaining after adjustment for all contributions deductible without regard to this subsection. Contributions made under the preceding sentence shall be deductible under subsection (a) by the employer making such contribution, and, for the purpose of determining amounts which may be carried forward and deducted under the second sentence of subsection (a) in succeeding income years, shall be deemed to have been made by the employer on behalf of whose employees such contributions were made.

24605. If a stock bonus, pension, or profit-sharing trust would qualify for exemption under Section 17631 of Part 10, of Division 2 of this code except for the fact that it is a trust created or organized outside the United States, contributions to such a trust by an employer which is a resident, or corporation, or other entity of the United States, shall be deductible under the preceding sections.

Deductible
contribu-
tions for
trusts out-
side United
States

24606. In the income year when paid, if the plan is not one included in Sections 24601, 24602, and 24603, if the employees' rights to or derived from such employer's contribution or such compensation are nonforfeitable at the time the contribution or compensation is paid.

When rights
nonfor-
feitable

24607. For purposes of Sections 24601, 24602, and 24603, a taxpayer on the accrual basis shall be deemed to have made a payment on the last day of the year of accrual if the payment is on account of such income year and is made not later than the time prescribed by law for filing the return for such income year (including extensions thereof).

Accrual basis
taxpayer

24608. If amounts are deductible under Sections 24601 and 24603, or Sections 24602 and 24603, or Sections 24601, 24602, and 24603, in connection with two or more trusts, or one or more trusts and an annuity plan, the total amount deductible in an income year under such trusts and plans shall not exceed 25 percent of the compensation otherwise paid or accrued during the income year to the persons who are the beneficiaries of the trusts or plans. In addition, any amount paid into such trust or under such annuity plans in any income year in excess of the amount allowable with respect to such year under the preceding provisions of this section shall be deductible in the succeeding income years in order of time, but the amount so deductible under this sentence in any one such succeeding income year together with the amount allowable under the first sentence of this section shall not exceed 30 percent of the compensation otherwise paid or accrued during such income years to the beneficiaries under the trusts or plans. This section shall not have the effect of reducing the amount otherwise deductible under Sections 24601, 24602, and

Limit on
deductible
amounts

24603, if no employee is a beneficiary under more than one trust, or a trust and an annuity plan.

If no plan

24609. If there is no plan but a method of employer contributions or compensation has the effect of a stock bonus, pension, profit-sharing, or annuity plan, or similar plan deferring the receipt of compensation, Sections 24601 to 24608, inclusive, shall apply as if there were such a plan.

24610. If contributions are paid by an employer—

Plan concerning medical, etc., benefits

(a) Under a plan under which such contributions are held in trust for the purpose of paying (either from principal or income or both) for the benefit of employees and their families and dependents at least medical or hospital care, and pensions on retirement or death of employees; and

(b) Such plan was established prior to January 1, 1954, as a result of an agreement between employee representatives and the Government of the United States during a period of government operation, under seizure powers, of a major part of the productive facilities of the industry in which such employer is engaged,

such contributions shall not be deductible under this article or be made nondeductible by this article, but the deductibility thereof shall be governed solely by Section 24343 (relating to trade or business expenses). This section shall have no application with respect to amounts contributed to a trust on or after any date on which such trust is qualified for exemption from tax under Section 17631 of Part 10 of Division 2 of this code.

Unused deductions, etc., in excess of allowable deductions

24611. The amount of any unused deductions or contributions in excess of the deductible amounts for income years to which this article does not apply which under Sections 17324 to 17324.17, inclusive, or Part 10 of Division 2 of this code would be allowable as deductions in later years had such Sections 17324 to 17324.17, inclusive, of Part 10 of Division 2 of this code remained in effect, shall be allowable as deductions in income years to which this part applies as if such Sections 17324 to 17324.17, inclusive, of Part 10 of Division 2 of this code were continued in effect for such years. However, the deduction under the preceding sentence shall not exceed an amount which, when added to the deduction allowable under Sections 24601 to 24608, inclusive, for contributions made in income years to which this article applies, is not greater than the amount which would be deductible under Sections 24601 to 24608, inclusive, if the contributions which give rise to the deduction under the preceding sentence were made in an income year to which this article applies.

Article 2. Employee Stock Option

Employee stock option

24621. Gross income does not include any amount, other than the option price, received by any bank or corporation, or its parent or subsidiary bank or corporation, as considera-

tion for the issuance of stock to an employee of such bank or corporation, as a result of the exercise by the employee of a "restricted stock option" as defined in Chapter 5, Article 2, of Part 10 of this division.

CHAPTER 13. ACCOUNTING PERIODS AND METHODS OF ACCOUNTING

Article 1. Accounting Periods

24631. (a) Income shall be computed on the basis of the ^{Income} taxpayer's income year.

(b) For purposes of this part, the term "income year" ^{"Income year"} means—

(1) The taxpayer's annual accounting period, if it is a calendar year or a fiscal year;

(2) The calendar year, if subsection (g) applies; or

(3) The period for which the return is made, if a return is made for a period of less than 12 months.

(c) For purposes of this part, the term "annual accounting period" ^{"Annual accounting period"} means the annual period on the basis of which the taxpayer regularly computes its income in keeping its books.

(d) For purposes of this part, the term "calendar year" ^{"Calendar year"} means a period of 12 months ending on December 31st.

(e) For purposes of this part, the term "fiscal year" ^{"Fiscal year"} means a period of 12 months ending on the last day of any month other than December. In the case of any taxpayer who has made the election provided by subsection (f), the term means the annual period (varying from 52 to 53 weeks) so elected

(f) (1) A taxpayer who, in keeping its books, regularly computes its income on the basis of an annual period which varies from 52 to 53 weeks and ends always on the same day of the week and ends always—

(A) On whatever date such same day of the week last occurs in a calendar month, or

(B) On whatever date such same day of the week falls which is nearest to the last day of a calendar month, may (in accordance with the regulations prescribed under paragraph (3)) elect to compute its income for purposes of this part on the basis of such annual period. This paragraph shall apply to income years ending after the date of the enactment of this part.

(2) (A) In any case in which the effective date or the applicability of any provision of this part is expressed in terms of income years beginning or ending with reference to a specified date which is the first or last day of a month, an income year described in paragraph (1) shall be treated—

(i) As beginning with the first day of the calendar month beginning nearest to the first day of such income year, or

(ii) As ending with the last day of the calendar month ending nearest to the last day of such income year, as the case may be.

(B) In the case of a change from or to an income year described in paragraph (1)—

(i) If such change results in a short period (within the meaning of Section 24634) of 359 days or more, or less than seven days, Section 24636 shall not apply;

(ii) If such change results in a short period of less than seven days, such short period shall, for purposes of this part, be added to and deemed a part of the following income year; and

(iii) If such change results in a short period to which Section 24634 applies, the income for such short period shall be placed on an annual basis for purposes of such subsection by multiplying such income by 365 and dividing the result by the number of days in the short period, and the tax shall be the same part of the tax computed on the annual basis as the number of days in the short period is of 365 days.

(3) The Franchise Tax Board shall prescribe such regulations as it deems necessary for the application of this subsection.

(g) Except as provided in Section 24634 (relating to returns for periods of less than 12 months), the taxpayer's income year shall be the calendar year if—

(1) The taxpayer keeps no books;

(2) The taxpayer does not have an annual accounting period; or

(3) The taxpayer has an annual accounting period, but such period does not qualify as a fiscal year.

Change of
annual
accounting
period

24633. If a taxpayer changes its annual accounting period, the new accounting period shall become the taxpayer's income year only if the change is approved by the Franchise Tax Board. For purposes of this part, if a taxpayer to whom Section 24631(g) applies adopts an annual accounting period (as defined in Section 24631(c)) other than a calendar year, the taxpayer shall be treated as having changed its annual accounting period.

Return for
period less
than 12
months

24634. (a) A return for a period of less than 12 months (referred to in this article as "short period") shall be made under any of the following circumstances:

(1) When the taxpayer, with the approval of the Franchise Tax Board, changes its annual accounting period. In such a case, the return shall be made for the short period beginning on the day after the close of the former income year and ending at the close of the day before the day designated as the first day of the new income year.

(2) When the taxpayer is in existence during only part of what would otherwise be its income year.

(3) When the Franchise Tax Board terminates the taxpayer's income year under Section 25761 (relating to tax in jeopardy).

24635. Where a separate return is made under Section 24634, on account of a change in the accounting period, the income shall be computed on the basis of the period for which the separate return is made. The due date of the separate return for such period is the fifteenth day of the third month following the close of that period. Separate
return

24636. (a) If a separate return is made by a taxpayer subject to the tax imposed by Chapter 2, under Section 24634 on account of a change in the accounting period the net income, computed on the basis of the period for which separate return is made, referred to in this section as "the short period," shall be placed on an annual basis by multiplying the amount thereof by 12, and dividing by the number of months in the short period. The Franchise Tax Board shall compute the amount of a tax on the income placed on such annual basis, and shall allow the offset provided for in Article 3 of Chapter 2, from such tax. The tax due under this section, which shall not be subject to offset, shall be such part of the tax, less the offset allowed, computed on such annual basis as the number of months in the short period is of 12 months. Same Com-
putation of
net income

(b) If a taxpayer subject to the tax imposed by Chapter 2 establishes the amount of its net income for the period of 12 months beginning with the first day of the short period, computed as if such 12-month period were an income year, under the law applicable to such year, then the tax for the short period shall be reduced to an amount which is such part of the tax computed on the net income for such 12-month period as the net income computed on the basis of the short period is of the net income for the 12-month period. The taxpayer (other than a taxpayer to which the next sentence applies) shall compute the tax and file its return without the application of this section. If the taxpayer has disposed of substantially all its assets prior to the end of such 12-month period, then in lieu of the net income for such 12-month period there shall be used for the purposes of this section the net income for the 12-month period ending with the last day of the short period. The tax computed under this section shall in no case be less than the tax computed on the net income for the short period without placing such net income on an annual basis. The benefits of this section shall not be allowed unless the taxpayer, at such time as regulations prescribed hereunder require (but not after the time prescribed for the filing of the return for the first income year which ends on or after 12 months after the beginning of the short period), makes application therefor in accordance with such regulations. Such application, in case the return was filed without regard to this section, shall be considered a claim for credit or refund with respect to the amount by which the tax is reduced under this section. The Franchise Tax Board shall prescribe such regulations as it may deem necessary for the application of this section.

Rate of tax.

24637. The tax on any taxpayer for a period beginning in one calendar year (called "first calendar year") and ending in the following calendar year (called "second calendar year") where the law applicable to the computation of taxes for calendar year taxpayers for the second calendar year is different from the law applicable to computation of taxes for calendar year taxpayers for the first calendar year, shall, except as otherwise provided, be the sum of:

(a) The same proportion of a tax for the entire period, determined under the law and rates applicable to the first calendar year which the portion of the period falling within the first year is of the entire period; and

(b) The same proportion of a tax for the entire period, determined under the law and rates applicable to the second calendar year which the portion of the period falling within the second calendar year is of the entire period.

Any tax that has been paid under the law applicable to the first calendar year if in excess of the tax imposed by this section shall be refunded or credited to the taxpayer as provided in Chapter 22. Any tax in addition to that paid under the law applicable to the first calendar year made necessary by this article shall be immediately due and payable upon notice and demand from the Franchise Tax Board.

Article 2. Methods of Accounting

Computation
of income

24651. (a) Income shall be computed under the method of accounting on the basis of which the taxpayer regularly computes its income in keeping its books.

(b) If no method of accounting has been regularly used by the taxpayer, or if the method used does not clearly reflect income, the computation of income shall be made under such method as, in the opinion of the Franchise Tax Board, does clearly reflect income.

Methods of
accounting

(c) Subject to the provisions of subsections (a) and (b), a taxpayer may compute income under any of the following methods of accounting—

- (1) The cash receipts and disbursements method;
- (2) An accrual method;
- (3) Any other method permitted by this part; or
- (4) Any combination of the foregoing methods permitted under regulations prescribed by the Franchise Tax Board.

(d) A taxpayer engaged in more than one trade or business may in computing income, use a different method of accounting for each trade or business.

(e) Except as otherwise expressly provided in this part, a taxpayer who changes the method of accounting on the basis of which it regularly computes its income in keeping its books shall, before computing its income under the new method, secure the consent of the Franchise Tax Board.

Article 3. Year of Inclusion

24661. The amount of any item of gross income shall be included in the gross income for the income year in which received by the taxpayer, unless, under the method of accounting used in computing income, such amount is to be properly accounted for as of a different period. Period of inclusion

24667. Under regulations prescribed by the Franchise Tax Board, a person who regularly sells or otherwise disposes of personal property on the installment plan may return as income therefrom in any income year that proportion of the installment payments actually received in that year which the gross profit, realized or to be realized when payment is completed, bears to the total contract price. Sales on installment plan

24668. (a) Income from—

(1) A sale or other disposition of real property; or Sales of real property, etc.

(2) A casual sale or other casual disposition of personal property (other than property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the income year) for a price exceeding one thousand dollars (\$1,000), may (under regulations prescribed by the Franchise Tax Board) be returned on the basis and in the manner prescribed in Section 24667.

(b) Subsection (a) shall apply—

(1) In the case of a sale or other disposition during an income year beginning after December 31, 1954 (whether or not such income year ends after the date of enactment of this part), only if in the income year of the sale or other disposition—

(A) There are no payments; or

(B) The payments (exclusive of evidences of indebtedness of the purchaser) do not exceed 30 percent of the selling price.

(2) In the case of a sale or other disposition during an income year beginning before January 1, 1955, only if the income was (by reason of Section 25292 of the Bank and Corporation Tax Law of 1954) returnable on the basis and in the manner prescribed in Section 25292 of such law.

24669. (a) If a taxpayer entitled to the benefits of Section 24667 elects for any income year to report his income on the installment basis, then in computing his income for such year (referred to in this section as "year of change") or for any subsequent year— Computation of income reportable on installment basis

(1) Installment payments actually received during any such year on account of sales or other dispositions of property made in any income year before the year of change shall not be excluded; but

(2) The tax imposed by this part for any income year (referred to in this section as "adjustment year") beginning after December 31, 1954, shall be reduced by the adjustment computed under subsection (b).

(b) In determining the adjustment referred to in subsection (a) (2), first determine, for each income year before the year of change, the amount which equals the lesser of—

(1) The portion of the tax for such prior income year which is attributable to the gross profit which was included in gross income for such prior income year, and which by reason of subsection (a) (1) is includible in gross income for the income year; or

(2) The portion of the tax for the adjustment year which is attributable to the gross profit described in paragraph (1). The adjustment referred to in subsection (a) (2) for the adjustment year is the sum of the amounts determined under the preceding sentence.

(3) For purposes of subsection (b), the portion of the tax for a prior income year, or for the adjustment year, which is attributable to the gross profit described in such subsection is that amount which bears the same ratio to the tax imposed by this part (or by the corresponding provisions of prior laws) for such income year (computed without regard to subsection (b)) as the gross profit described in such subsection bears to the gross income for such income year. For purposes of the preceding sentence, the provisions of this part of the Bank and Corporation Tax Law of 1954 shall be treated as the corresponding provisions of the Bank and Corporation Tax Law of 1954.

Installment
obligation
satisfied,
etc., at other
than face
value

24670. (a) If an installment obligation is satisfied at other than its face value or distributed, transmitted, sold, or otherwise disposed of, gain or loss shall result to the extent of the difference between the basis of the obligation and—

(1) The amount realized, in the case of satisfaction at other than face value or a sale or exchange; or

(2) The fair market value of the obligation at the time of distribution, transmission, or disposition, in the case of the distribution, transmission, or disposition otherwise than by sale or exchange.

Any gain or loss so resulting shall be considered as resulting from the sale or exchange of the property in respect of which the installment obligation was received.

(b) The basis of an installment obligation shall be the excess of the face value of the obligation over an amount equal to the income which would be returnable were the obligation satisfied in full.

(c) (1) If—

(A) An installment obligation is distributed by one corporation to another corporation in the course of a liquidation; and

(B) Under Section 24502 (relating to complete liquidations of subsidiaries) no gain or loss with respect to the receipt of such obligation is recognized in the case of the recipient corporation;

then no gain or loss with respect to the distribution of such obligation shall be recognized in the case of the distributing corporation.

(2) If—

(A) An installment obligation is distributed by a corporation in the course of a liquidation; and

(B) Under Sections 24512, 24513 and 24514 (relating to gain or loss on sales or exchanges in connection with certain liquidations) no gain or loss would have been recognized to the corporation if the corporation had sold or exchanged such installment obligation on the day of such distribution;

then no gain or loss shall be recognized to such corporation by reason of such distribution.

24672. (a) Where a taxpayer elects to report income from the sale or other disposition of property as provided in this article, and the entire income therefrom has not been reported prior to the year that the taxpayer ceases to be subject to the tax measured by net income imposed under Chapter 2 or Chapter 3 of this part, the unreported income shall be included in the measure of the tax for the last year in which the taxpayer is subject to the tax measured by net income imposed under Chapter 2 or Chapter 3 of this part. Abatement shall not be allowed under the provisions of Sections 23331 to 23333, inclusive, for any tax measured by unreported installment income which is included in the measure of the tax by reason of this section or installment income reported during the year preceding the year in which the taxpayer ceases to be subject to the tax imposed by this part. Abatement shall be allowed for any tax measured by unreported profit from installment sales made during the income year preceding dissolution or withdrawal or cessation of business. This section shall not be applicable where the installment obligation is transferred pursuant to a reorganization as defined in Sections 24562 and 24563 to another taxpayer a party to the reorganization subject to tax under the same chapter as the transferor. The determination of any deficiency resulting from this section shall be made under the provisions of Chapter 20, Article 1, but the period of limitation under that article, and the accrual of interest under Chapter 21, Article 1, shall commence on the date the taxpayer ceases to be subject to the tax imposed under Chapter 2 or Chapter 3 of this part.

Unreported
income

(b) "Cessation of business" as herein used means the failure to do business during an entire taxable year.

"Cessation
of business"

24673. Where a corporation subject to the tax imposed by Chapter 2 is engaged in the performance of a contract in this State which will require more than a year to complete, the Franchise Tax Board may require that the income from the contract be reported on the basis of percentage of completion unless the corporation furnishes bond or other security guaranteeing the payment of a tax measured by the income received on the completion of the contract even though the corporation

Contracts
requiring
more than
one year for
completion

is not doing business in this State in the year subsequent to the year of completion.

Noninterest-
bearing
obligations
issued at
discount,
etc.

24674. (a) If, in the case of a taxpayer owning any non-interest-bearing obligation issued at a discount and redeemable for fixed amounts increasing at stated intervals the increase in the redemption price of such obligation occurring in the income year does not (under the method of accounting used in computing its income) constitute income to it in such year, such taxpayer may, at its election made in its return for any income year, treat such increase as income received in such income year. If any such election is made with respect to any such obligation, it shall apply also to all such obligations owned by the taxpayer at the beginning of the first income year to which it applies and to all such obligations thereafter acquired by it and shall be binding for all subsequent income years, unless on application by the taxpayer the Franchise Tax Board permits it, subject to such conditions as the Franchise Tax Board deems necessary, to change to a different method.

(b) In the case of any obligation—

(1) Of the United States; or

(2) Of a state, a territory, or a possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia, which is issued on a discount basis and payable without interest at a fixed maturity date not exceeding one year from the date of issue, the amount of discount at which such obligation is originally sold shall not be considered to accrue until the date on which such obligation is paid at maturity, sold, or otherwise disposed of.

Article 4. Year of Deduction

Year of
deduction

24681. (a) The amount of any deduction or credit allowed by this part shall be taken for the income year which is the proper income year under the method of accounting used in computing income.

(b) (1) If the income is computed under an accrual method of accounting, then, at the election of the taxpayer, any real property tax which is related to a definite period of time shall be accrued ratably over that period.

(2) Paragraph (1) shall not apply to any real property tax, to the extent that such tax was allowable as a deduction under the Bank and Corporation Tax Law of 1954 for an income year which began before January 1, 1955. In the case of any real property tax which would, but for this subsection, be allowable as a deduction for the first income year of the taxpayer which begins after December 31, 1954, then, to the extent that such tax is related to any period before the first day of such first income year, the tax shall be allowable as a deduction for such first income year.

(3) (A) A taxpayer may, without the consent of the Franchise Tax Board, make an election under this subsection for

its first income year which begins after December 31, 1954, and ends after the date of enactment of this part in which the taxpayer incurs real property taxes. Such an election shall be made not later than the time prescribed by law for filing the return for such year (including extensions thereof).

(B) A taxpayer may, with the consent of the Franchise Tax Board, make an election under this subsection at any time.

Article 5. Inventories

24701. Whenever in the opinion of the Franchise Tax Board the use of inventories is necessary in order clearly to determine the income of any taxpayer, inventories shall be taken by such taxpayer on such basis as the Franchise Tax Board may prescribe as conforming as nearly as may be to the best accounting practice in the trade or business and as most clearly reflecting the income. Inventories

24702. A taxpayer may use the method provided in Section 24703 (whether or not such method has been prescribed under Section 24701) in inventorying goods specified in an application to use such method filed at such time and in such manner as the Franchise Tax Board may prescribe. The change to and the use of such method shall be in accordance with such regulations as the Franchise Tax Board may prescribe as necessary in order that the use of such method may clearly reflect income. Permission to use statutory method of inventory

24703. In inventorying goods specified in the application described in Section 24702, the taxpayer shall: Method of inventorying goods

(a) Treat those remaining on hand at the close of the taxable year as being: First, those included in the opening inventory of the income year (in the order of acquisition) to the extent thereof; and second, those acquired in the taxable year;

(b) Inventory them at cost; and

(c) Treat those included in the opening inventory of the income year in which such method is first used as having been acquired at the same time and determine their cost by the average cost method.

24704. Section 24702 shall apply only if the taxpayer establishes to the satisfaction of the Franchise Tax Board that the taxpayer has used no procedure other than that specified in subsections (a) and (c) of Section 24703 in inventorying such goods to ascertain the income, profit, or loss of the first income year for which the method described in Section 24703 is to be used, for the purpose of a report or statement covering such income year— Prerequisites for use of statutory procedure

(a) To shareholders, partners, or other proprietors, or to beneficiaries; or

(b) For credit purposes.

24705. In determining income for the income year preceding the income year for which the method described in Section 24703 is first used, the closing inventory of such preceding year of the goods specified in the application referred to in Section 24702 shall be at cost. Closing inventory

Consistent
use of same
method

24706. If a taxpayer, having complied with Section 24702, uses the method described in Section 24703 for any income year, then such method shall be used in all subsequent income years unless—

Exceptions

(a) With the approval of the Franchise Tax Board a change to a different method is authorized; or,

(b) The Franchise Tax Board determines that the taxpayer has used for any such subsequent income year some procedure other than that specified in Section 24703(a) in inventorying the goods specified in the application to ascertain the income, profit, or loss of such subsequent income year for the purpose of a report or statement covering such income year (1) to shareholders, partners, or other proprietors, or beneficiaries, or (2) for credit purposes; and requires a change to a method different from that prescribed in Section 24703 beginning with such subsequent income year or any income year thereafter.

If subsections (a) or (b) of this section applies, the change to, and the use of, the different method shall be in accordance with such regulations as the Franchise Tax Board may prescribe as necessary in order that the use of such method may clearly reflect income

Article 6. Adjustments Required by Changes in Method

Adjustments

24721. In computing the taxpayer's income for any income year (referred to in this article as the "year of the change")—

(a) If such computation is under a method of accounting different from the method under which the taxpayer's income for the preceding income year was computed; then

(b) There shall be taken into account those adjustments which are determined to be necessary solely by reason of the change in order to prevent amounts from being duplicated or omitted, except there shall not be taken into account any adjustment in respect of any income year to which this article does not apply.

Computation
of tax when
method
changed

24722. (a) If—

(1) The method of accounting from which the change is made was used by the taxpayer in computing his income for the two income years preceding the year of the change; and

(2) The increase in income for the year of the change which results solely by reason of the adjustments required by Section 24721(b) exceeds three thousand dollars (\$3,000),

then the tax under this part attributable to such increase in income shall not be greater than the aggregate of the taxes under this part (or under the corresponding provisions of prior laws) which would result if one-third of such increase were included in income for the year of the change and one-third of such increase were included for each of the two preceding income years.

(b) If—

(1) The increase in income for the year of the change which results solely by reason of the adjustments required by Section 24721(b) exceeds three thousand dollars (\$3,000); and

(2) The taxpayer establishes its income (under the new method of accounting) for one or more income years consecutively preceding the income year of the change for which the taxpayer in computing income used the method of accounting from which the change is made;

then the tax under this part attributable to such increase in income shall not be greater than the net increase in the taxes under this part which would result if the adjustments required by Section 24721(b) were allocated to the income year or years specified in paragraph (2) to which they are properly allocable under the new method of accounting and the balance of the adjustments required by Section 24721(b) was allocated to the income year of the change.

24723. In the case of any change described in Section 24721, the taxpayer may, in such manner and subject to such conditions as the Franchise Tax Board may by regulations prescribe, take the adjustments required by Section 24721(b) into account in computing the tax imposed by this part for the income year or years permitted under such regulations.

Allowance
of adjust-
ments

24724. Sections 24721 to 24723, inclusive, shall not apply to a change to which Sections 24667 to 24670, inclusive, (relating to change to installment method) apply.

Nonapplic-
ability

24725. In any case of two or more organizations, trades, or businesses (whether or not incorporated, whether or not organized in the United States, and whether or not affiliated) owned or controlled directly or indirectly by the same interests, the Franchise Tax Board may distribute, apportion, or allocate gross income, deductions, credits, or allowances between or among such organizations, trades, or businesses, if it determines that such distribution, apportionment, or allocation is necessary in order to prevent evasion of taxes or clearly to reflect the income of any of such organizations, trades, or businesses.

Organiza-
tions, etc.,
controlled
by same
interests

CHAPTER 14. NATURAL RESOURCES

24831. The basis upon which depletion is to be allowed in respect of any property shall be the adjusted basis provided in Article 2 of Chapter 15 for the purpose of determining the gain upon the sale or other disposition of such property, except as provided in Sections 24832, 24833 and 24834, inclusive.

Depletion

24832. In the case of oil and gas wells the allowance for depletion under Section 24835 shall be 27½ percent of the gross income from the property during the income year, excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect of the

Oil and gas
wells

property. Such allowance shall not exceed 50 percent of the net income of the taxpayer (computed without allowance for depletion) from the property, except that in no case shall the depletion allowance under Section 24835 be less than it would be if computed without reference to this section.

Amount of
depletion
allowance

24833. The allowance for depletion under Section 24835 shall be:

(a) In the case of sand, gravel, slate, stone (including pumice and scoria), brick and tile clay, shale, oyster shell, clam shell, granite, marble, sodium chloride, and, if from brine wells, calcium chloride, magnesium chloride, and bromide, 5 percent;

(b) In the case of coal, asbestos, brucite, dolomite, magnesite, perlite, wollastonite, calcium carbonates, and magnesium carbonates, 10 percent;

(c) In the case of metal mines aplite, bauxite, fluorspar, flake graphite, vermiculite, beryl, garnet, feldspar, mica, tale (including pyrophyllite), lepidolite, spodumene, barite, ball clay, sagger clay, china clay, phosphate rock, rock asphalt, trona, bentonite, gilsonite, thenardite, borax, fuller's earth, tripoli, refractory and fire clay, quartzite, diatomaceous earth, metallurgical grade limestone, chemical grade limestone, and potash, 15 percent;

(d) In the case of sulfur, 23 percent;

of the gross income from the property during the income year, excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect of the property.

Limitation

Such allowance shall not exceed 50 percent of the net income of the taxpayer (computed without allowance for depletion) from the property except that in no case shall the depletion allowance under Section 24835 be less than it would be if computed without reference to this section.

"Gross income from
property"
"Mining"

24834. As used in Section 24833 "gross income from property" means the gross income from mining. "Mining" includes not merely the extraction of the ores or minerals from the ground but also the ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products, and so much of the transportation of ores or minerals (whether or not by common carrier) from the point of extraction from the ground to the plants or mills in which the ordinary treatment processes are applied thereto as is not in excess of 50 miles unless the Franchise Tax Board finds that the physical and other requirements are such that the ore or mineral must be transported a greater distance to such plants or mills.

"Ordinary
treatment
processes"

"Ordinary treatment processes" includes the following: (a) In the case of coal—cleaning, breaking, sizing, and loading for shipment; (b) in the case of sulphur—pumping to vats, cooling, breaking, and loading for shipment; (c) in the case of iron ore, bauxite, ball and sagger clay, rock asphalt, and minerals which are customarily sold in the form of a crude

mineral product—sorting, concentrating, and sintering to bring to shipping grade and form, and loading for shipment; and (d) in the case of lead, zinc, copper, gold, silver, or fluorspar ores, potash, and ores which are not customarily sold in the form of the crude mineral product—crushing, grinding, and beneficiation by concentration (gravity, flotation, amalgamation, electrostatic, or magnetic), cyanidation, leaching, crystallization, precipitation (but not including as an ordinary treatment process electrolytic deposition, roasting, thermal or electric smelting, or refining), or by substantially equivalent processes or combination of processes used in the separation or extraction of the product or products from the ore, including the furnacing of quicksilver ores.

24835. In the case of mines, oil and gas wells, other natural deposits and timber, a reasonable allowance for depletion and for depreciation of improvements according to the peculiar conditions in each case, such reasonable allowance in all cases to be made under rules and regulations to be prescribed by the Franchise Tax Board. In any case in which it is ascertained as a result of operations or of development work that the recoverable units are greater or less than the prior estimate thereof, then such prior estimate (but not the basis for depletion) shall be revised and the allowance under this section for subsequent income years shall be based upon such revised estimate. In the case of leases the deductions shall be equitably apportioned between the lessor and the lessee.

Reasonable allowance for depletion and depreciation of improvements

24836. (a) Except as provided in subsection (b), there shall be allowed as a deduction in computing income all expenditures paid or incurred during the income year for the development of a mine or other natural deposit (other than an oil or gas well) if paid or incurred after the existence of ores or minerals in commercially marketable quantities has been disclosed. This section shall not apply to expenditures for the acquisition or improvement of property of a character which is subject to the allowance for depreciation provided in Section 24349, but allowances for depreciation shall be considered, for purposes of this section, as expenditures.

Development expenses after discovery of ores, etc

(b) At the election of the taxpayer, made in accordance with regulations prescribed by the Franchise Tax Board, expenditures described in subsection (a) paid or incurred during the income year shall be treated as deferred expenses and shall be deductible on a ratable basis as the units of produced ores or minerals benefited by such expenditures are sold. In the case of such expenditures paid or incurred during the development stage of the mine or deposit, the election shall apply only with respect to the excess of such expenditures during the income year over the net receipts during the income year from the ores or minerals produced from such mine or deposit. The election under this subsection, if made, must be for the total amount of such expenditures, or the total amount of such excess, as the case may be, with respect

to the mine or deposit, and shall be binding for such income year.

(c) The amount of expenditures which are treated under subsection (b) as deferred expenses shall be taken into account in computing the adjusted basis of the mine or deposit, except that such amount, and the adjustments to basis provided in Section 24916, shall be disregarded in determining the adjusted basis of the property for the purpose of computing a deduction for depletion under Section 24831.

Exploration
expenses

24837. (a) In the case of expenditures paid or incurred during the income year for the purpose of ascertaining the existence, location, extent, or quality of any deposit of ore or other mineral, and paid or incurred prior to the beginning of the development stage of the mine or deposit, in computing net income there shall be allowed as a deduction so much of such expenditures as does not exceed seventy-five thousand dollars (\$75,000).

This section shall apply only with respect to the amount of such expenditures which, but for this section, would not be allowable as a deduction for the income year.

This section shall not apply to expenditures for the acquisition or improvement of property of a character which is subject to the allowance for depreciation provided in Section 24349, but allowances for depreciation shall be considered, for the purposes of this section, as expenditures paid or incurred.

In no case shall this section apply with respect to amounts paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas.

(b) If the taxpayer elects, in accordance with regulations prescribed by the Franchise Tax Board, to treat as deferred expenses any portion of the amount deductible for the income year under subsection (a), such portion shall not be deductible under subsection (a) but shall be deductible on a ratable basis as the units of produced ores or minerals discovered or explored by reason of such expenditures are sold. An election made for any income year shall be binding for such year.

(c) This section shall not apply to any amounts paid or incurred in any income year if in any four preceding years the taxpayer, or any individual or corporation who has transferred to the taxpayer any mineral property under circumstances which make the provisions of Section 17883, 18135, 24552, 24553, 24577, 24575, 24988, 25404, or 29461 applicable to such transfer, has either (1) been allowed a deduction under subsection (a) of this section or (2) made the election provided under subsection (b) of this section.

(d) The amount of expenditures which are treated under subsection (b) as deferred expenses shall be taken into account in computing the adjusted basis of the mine or deposit, but such amounts, and the adjustments to basis provided in Section 24916 shall be disregarded in determining the ad-

justed basis of the property for the purpose of computing a deduction for depletion under this chapter.

CHAPTER 15. GAIN OR LOSS ON DISPOSITION OF PROPERTY

Article 1. Computation of Gain or Loss

24901. (a) The gain from the sale or other disposition of property shall be the excess of the amount realized therefrom over the adjusted basis provided in Section 24911 for determining gain, and the loss shall be the excess of the adjusted basis provided in such section for determining loss over the amount realized. Computation of gain or loss

(b) The amount realized from the sale or other disposition of property shall be the sum of any money received plus the fair market value of the property (other than money) received.

(c) In the case of a sale or exchange of property, the extent to which the gain or loss determined under this section shall be recognized for purposes of this part shall be determined under Section 24902.

(d) Nothing in this section shall be construed to prevent (in the case of property sold under contract providing for payment in installments) the taxation of that portion of any installment payment representing gain or profit in the year in which such payment is received.

24902. Except as otherwise provided in this part, on the sale or exchange of property the entire amount of the gain or loss, determined under Section 24901, shall be recognized. Entire amount recognized

Article 2. Basis for Computation of Gain or Loss

24911. The adjusted basis for determining the gain or loss from the sale or other disposition of property, whenever acquired, shall be the basis (determined under Section 24912) or other applicable sections of Chapter 15 and Chapter 8 (relating to corporate distributions and adjustments), adjusted as provided in Sections 24916 and 24917. Adjusted basis

24912. The basis of property shall be the cost of such property, except as otherwise provided in Chapter 15 and Chapter 8 (relating to corporate distributions and adjustments). Basis Cost

24913. If the property should have been included in the last inventory, the basis shall be the last inventory value thereof. Last inventory value

24914. (a) If the property was acquired by gift after December 31, 1920, the basis shall be the same as it would be in the hands of the donor or the last preceding owner by whom it was not acquired by gift, except that if such basis (adjusted for the period before the date of the gift as provided in Sections 24916 and 24917) is greater than the fair market value of the property at the time of the gift, then for Gift

the purpose of determining loss the basis shall be such fair market value. If the facts necessary to determine the basis in the hands of the donor or the last preceding owner are unknown to the donee, the Franchise Tax Board shall, if possible, obtain such facts from such donor or last preceding owner, or any other person cognizant thereof. If the Franchise Tax Board finds it impossible to obtain such facts, the basis in the hands of such donor or last preceding owner shall be the fair market value of such property as found by the Franchise Tax Board as of the date or approximate date at which, according to the best information that the Franchise Tax Board is able to obtain, such property was acquired by such donor or last preceding owner.

Trust

(b) If the property was acquired after December 31, 1920, by a transfer in trust (other than by a transfer in trust by a gift, bequest, or devise), the basis shall be the same as it would be in the hands of the grantor increased in the amount of gain or decreased in the amount of loss recognized to the grantor on such transfer under the law applicable to the year in which the transfer was made.

Adjustments
of basis

24916. Proper adjustment in respect of the property shall in all cases be made—

(a) For expenditures, receipts, losses, or other items properly chargeable to capital account, but no such adjustment shall be made for taxes or other carrying charges or for expenditures described in Section 24364 and Section 24369 for which deductions have been taken by the taxpayer in determining net income for the income year or prior income years;

(b) For exhaustion, wear and tear, obsolescence, amortization, and depletion:

(1) In the case of taxpayers subject to the tax imposed by Chapter 2, to the extent sustained prior to January 1, 1928, and to the extent allowed (but not less than the amount allowable) under this part, except that no deduction shall be made for amounts in excess of the amount which would have been allowable had depreciation not been computed on the basis of January 1, 1928, value and amounts in excess of the adjustments required by Section 113(b)(1)(B) of the Federal Revenue Act of 1938 for depletion prior to January 1, 1932.

(2) In the case of a taxpayer subject to the tax imposed by Chapter 3, to the extent sustained prior to January 1, 1937, and for periods thereafter to the extent allowed (but not less than the amount allowable) under the provisions of this part.

(3) If a taxpayer has not claimed an amortization deduction for an emergency facility, the adjustment under paragraph (1) shall be made only to the extent ordinarily provided under Sections 24348, 24355 and 24835.

(c) In the case of stock (to the extent not provided for in the foregoing subsections) for the amount of distributions previously made which, under the law applicable to the year in which the distribution was made, either were tax-free or were applicable in reduction of basis (not including distribu-

tions made by a corporation, which was classified as a personal service corporation under the provisions of the Federal Revenue Act of 1918 or 1921, out of its earnings or profits which were taxable in accordance with the provisions of Section 218 of the Federal Revenue Act of 1918 or 1921).

(d) (1) In the case of taxpayers subject to the tax imposed by Chapter 2, in the case of any bond (as defined in Section 24363) to the extent of the deductions allowable pursuant to Section 24360 with respect thereto.

(2) In the case of taxpayers subject to the tax imposed by Chapter 3, in the case of any bond (as defined in Section 24363) the interest on which is wholly exempt from the tax imposed by this part, to the extent of the amortizable bond premium disallowable as a deduction pursuant to Section 24361, and in the case of any other bond (as defined in Section 24363) to the extent of the deductions allowable pursuant to Section 24361 with respect thereto.

(3) In the case of property pledged to the Commodity Credit Corporation, to the extent of the amount received as a loan from the Commodity Credit Corporation and treated by the taxpayer as income for the year in which received pursuant to Section 24273, and to the extent of any deficiency on such loan with respect to which the taxpayer has been relieved from liability.

(e) Proper adjustment shall be made for amounts allowed as deductions as deferred expenses under subdivision (b) of Section 24836 (relating to certain expenditures in the development of mines) and resulting in a reduction of the taxpayer's tax, but not less than the amounts allowable under such section for the income year and prior years.

(f) Proper adjustment shall be made for amounts allowed as deductions as deferred expenses under subdivision (b) of Section 24837 (relating to certain exploration expenditures) and resulting in a reduction of the taxpayer's tax, but not less than the amounts allowable under such section for the income year and prior years.

24917. The term "substituted basis" as used in this article means a basis determined under any provision of this article providing that the basis shall be determined:

(a) By reference to the basis in the hands of a transferor, donor, or grantor; or

(b) By reference to other property held at any time by the person for whom the basis is to be determined.

Whenever it appears that the basis of property in the hands of the taxpayer is a substituted basis, then the adjustments provided in Section 24916 shall be made after first making in respect of such substituted basis proper adjustments of a similar nature in respect of the period during which the property was held by the transferor, donor, or grantor, or during which the other property was held by the person for whom the basis is to be determined. A similar rule shall be applied in the case of a series of substituted bases.

"Substituted
basis"

Basis—
Reduced by
amount
excluded
from gross
income for
discharge
of debt

24918. Where any amount is excluded from gross income under Section 24307(a) (relating to income from discharge of indebtedness) on account of the discharge of indebtedness the whole or a part of the amount so excluded from gross income shall be applied in reduction of the basis of any property held (whether before or after the time of the discharge) by the taxpayer during any portion of the income year in which such discharge occurred. The amount to be so applied (not in excess of the amount so excluded from gross income, reduced by the amount of any deduction disallowed under Section 24307(a)) and the particular properties to which the reduction shall be allocated, shall be determined under regulations (prescribed by the Franchise Tax Board) in effect at the time of the filing of the consent by the taxpayer referred to in Section 24307(a). The reduction shall be made as of the first day of the income year in which the discharge occurred, except in the case of property not held by the taxpayer on such first day, in which case it shall take effect as of the time the holding of the taxpayer began.

Leased real
property

24919. Neither the basis nor the adjusted basis of any portion of real property shall, in the case of the lessor of such property, be increased or diminished on account of income derived by the lessor in respect of such property and excludable from gross income under Section 24309 (relating to improvements by lessee on lessor's property). If an amount representing any part of the value of real property attributable to buildings erected or other improvements made by a lessee in respect of such property was included in gross income of the lessor for any taxable year beginning before January 1, 1942, the basis of each portion of such property shall be properly adjusted for the amount so included in gross income.

Article 3. Nontaxable Exchanges

Nontaxable
exchanges:
Property
held for pro-
ductive use
in trade, etc.

24941. (a) No gain or loss shall be recognized if property held for productive use in trade or business or for investment (not including stock in trade or other property held primarily for sale, nor stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidences of indebtedness or interest) is exchanged solely for property of a like kind to be held either for productive use in trade or business or for investment.

(b) If an exchange would be within the provisions of subsection (a), of Section 24950, or of Section 24951, if it were not for the fact that the property received in exchange consists not only of property permitted by such provisions to be received without the recognition of gain, but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property.

(c) If an exchange would be within the provisions of subsection (a), of Section 24950, or of Section 24951, if it were

not for the fact that the property received in exchange consists not only of property permitted by such provisions to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange shall be recognized.

(d) If property was acquired on an exchange described in this section, Section 24950, or Section 24951, then the basis shall be the same as that of the property exchanged decreased in the amount of any money received by the taxpayer and increased in the amount of gain to the taxpayer that was recognized on such exchange. If the property so acquired consisted in part of the type of property permitted by this section, Section 24950, or Section 24951, to be received without the recognition of gain or loss, and in part of other property, the basis provided in this subsection shall be allocated between the properties (other than money) received, and for the purpose of the allocation there shall be assigned to such other property an amount equivalent to its fair market value at the date of the exchange. For purposes of this section, Section 24950, and Section 24951, where as part of the consideration to the taxpayer another party to the exchange assumed a liability of the taxpayer or acquired from the taxpayer property subject to a liability, such assumption or acquisition (in the amount of the liability) shall be considered as money received by the taxpayer on the exchange.

24943. If property (as a result of its destruction in whole or in part, theft, seizure, or requisition or condemnation or threat or imminence thereof) is compulsorily or involuntarily converted—

Compulsory or involuntary conversion. Similar property

(a) Into property similar or related in service or use to the property so converted, no gain shall be recognized.

(b) Into money, and the disposition of the converted property occurred before January 1, 1953, no gain shall be recognized if such money is forthwith in good faith, under regulations prescribed by the Franchise Tax Board, expended in the acquisition of other property similar or related in service or use to the property so converted, or in the acquisition of control of a corporation owning such other property, or in the establishment of a replacement fund. If any part of the money is not so expended, the gain shall be recognized to the extent of the money which is not so expended (regardless of whether such money is received in one or more income years and regardless of whether or not the money which is not so expended constitutes gain). For purposes of this subsection and Section 24944, the term "disposition of the converted property" means the destruction, theft, seizure, requisition, or condemnation of the converted property, or the sale or exchange of such property under threat or imminence of requisition or condemnation.

"Disposition of the converted property"

24944. If property (as a result of its destruction in whole or in part, theft, seizure, or requisition or condemnation or threat or imminence thereof) is compulsorily or involuntarily

Compulsory or involuntary conversion: Dissimilar property

converted into money or into property not similar or related in service or use to the converted property, and the disposition of the converted property (as defined in Section 24943(b)) occurred after December 31, 1952, the gain (if any) shall be recognized except to the extent hereinafter provided in this section:

(a) If the taxpayer during the period specified in subsection (b), for the purpose of replacing the property so converted, purchases other property similar or related in service or use to the property so converted, or purchases stock in the acquisition of control of a corporation owning such other property, at the election of the taxpayer the gain shall be recognized only to the extent that the amount realized upon such conversion (regardless of whether such amount is received in one or more income years) exceeds the cost of such other property or such stock. Such election shall be made at such time and in such manner as the Franchise Tax Board may by regulations prescribe. For purposes of this subsection—

(1) No property or stock acquired before the disposition of the converted property shall be considered to have been acquired for the purpose of replacing such converted property unless held by the taxpayer on the date of such disposition; and

(2) The taxpayer shall be considered to have purchased property or stock only if, but for the provisions of Section 24947, the unadjusted basis of such property or stock would be its cost within the meaning of Section 24912.

(b) The period referred to in subsection (a) shall be the period beginning with the date of the disposition of the converted property, or the earliest date of the threat or imminence of requisition or condemnation of the converted property, whichever is the earlier, and ending—

(1) One year after the close of the first income year in which any part of the gain upon the conversion is realized; or

(2) Subject to such terms and conditions as may be specified by the Franchise Tax Board, at the close of such later date as the Franchise Tax Board may designate on application by the taxpayer. Such application shall be made at such time and in such manner as the Franchise Tax Board may by regulations prescribe.

24945. If a taxpayer has made the election provided in Section 24944(a), then—

Period for
assessing
deficiency

(a) The statutory period for the assessment of any deficiency, for any income year in which any part of the gain on such conversion is realized, attributable to such gain shall not expire prior to the expiration of three years from the date the Franchise Tax Board is notified by the taxpayer (in such manner as the Franchise Tax Board may by regulations prescribe) of the replacement of the converted property or of an intention not to replace; and

(b) Such deficiency may be assessed before the expiration of such three-year period notwithstanding the provisions of

any other law or rule of law which would otherwise prevent such assessment.

24946. If the election provided in Section 24944(a) is Same made by the taxpayer and such other property or such stock was purchased before the beginning of the last income year in which any part of the gain upon such conversion is realized, any deficiency, to the extent resulting from such election, for any income year ending before such last income year may be assessed (notwithstanding the provisions of Section 25663 or the provisions of any other law or rule of law which would otherwise prevent such assessment) at any time before the expiration of the period within which a deficiency for such last income year may be assessed.

24947. If the property was acquired, after February 28, Basis 1913, as the result of a compulsory or involuntary conversion described in Section 24943, the basis shall be the same as in the case of the property so converted, decreased in the amount of any money received by the taxpayer which was not expended in accordance with the provisions of law (applicable to the year in which such conversion was made) determining the taxable status of the gain or loss upon such conversion, and increased in the amount of gain or decreased in the amount of loss to the taxpayer recognized upon such conversion under the law applicable to the year in which such conversion was made. In the case of property purchased by the taxpayer in a transaction described in Section 24944 which resulted in the nonrecognition of any part of the gain realized as the result of a compulsory or involuntary conversion, the basis shall be the cost of such property decreased in the amount of the gain not so recognized; and if the property purchased consists of more than one piece of property, the basis determined under this sentence shall be allocated to the purchased properties in proportion to their respective costs.

24950. (a) No gain or loss shall be recognized on the exchange of— Nontaxable exchanges of insurance, etc., contracts

(1) A contract of life insurance for another contract of life insurance or for an endowment or annuity contract; or

(2) A contract of endowment insurance (A) for another contract of endowment insurance which provides for regular payments beginning at a date not later than the date payments would have begun under the contract exchanged, or (B) for an annuity contract; or

(3) An annuity contract for an annuity contract.

(b) For the purpose of this section—

(1) A contract of endowment insurance is a contract with a life insurance company which depends in part on the life expectancy of the insured, but which may be payable in full in a single payment during his life. Endowment insurance contract

(2) An annuity contract is a contract to which paragraph (1) applies but which may be payable during the life of the annuitant only in installments. Annuity contract

Life
insurance
contract

(3) A contract of life insurance is a contract to which paragraph (1) applies but which is not ordinarily payable in full during the life of the insured.

Common,
preferred
stock

24951. No gain or loss shall be recognized if common stock in a corporation is exchanged solely for common stock in the same corporation, or if preferred stock in a corporation is exchanged solely for preferred stock in the same corporation.

Article 4. Special Rules for Basis

Special
rules for
basis
Property
acquired by
affiliated
corporation,
etc.

24961. In the case of the property acquired by a corporation, during a period of affiliation, from a corporation with which it was affiliated, the basis of such property, after such period of affiliation, shall be determined, in accordance with regulations prescribed by the Franchise Tax Board without regard to intercompany transactions in respect of which gain or loss was not recognized. The basis in case of property acquired by a corporation during any period, in the income year 1929 or any subsequent income year, in respect of which a consolidated return is made by such corporation under Article 9 of Chapter 2 or Section 141 of the Federal Revenue Act of 1928 or the Federal Revenue Act of 1932 or the Federal Revenue Act of 1934 or the Federal Revenue Act of 1936, or in the case of a corporation subject to the tax imposed by Chapter 3, the Federal Revenue Act of 1938. The basis in the case of property held by a corporation during any period, in the income year 1929 or any subsequent income year, in respect of which a consolidated return is made by such corporation under Article 9 of Chapter 2 or Section 141 of the Federal Revenue Act of 1928 or the Federal Revenue Act of 1932 or the Federal Revenue Act of 1934 or the Federal Revenue Act of 1936, or, in the case of a corporation subject to the tax imposed by Chapter 3, or the Federal Revenue Act of 1938, shall be adjusted in respect of any items relating to such period, in accordance with regulations prescribed under Article 9 of Chapter 2 or Section 141 of the Federal Revenue Act of 1928 or the Federal Revenue Act of 1932 or the Federal Revenue Act of 1934 or the Federal Revenue Act of 1936, or in the case of a corporation subject to the tax imposed by Chapter 3, or the Federal Revenue Act of 1938, applicable to such period.

Property
acquired
after
February
28, 1913

24962. (a) If the property was acquired, after February 28, 1913, in any income year beginning before January 1, 1934, and the basis thereof, for purposes of the Revenue Act of 1932 was prescribed by Section 113(a) (6), (7), or (9) of such act (47 Stat. 199), then for purposes of this part the basis shall be the same as the basis therein prescribed in the Revenue Act of 1932.

(b) If the property was acquired, after February 28, 1913, in any income year beginning before January 1, 1937, and the basis thereof, for purposes of the Revenue Act of 1934, was prescribed by Section 113(a) (6), (7), or (8) of such act (48 Stat. 706), then for purposes of this part the basis shall be

the same as the basis therein prescribed in the Revenue Act of 1934.

(c) Stock rights acquired after February 28, 1913, and before January 1, 1955, shall have the basis assigned to such property under Section 25071m of the Bank and Corporation Tax Law of 1954.

24963. In the case of property acquired before March 1, 1913, if the basis otherwise determined under this part, adjusted (for the period before March 1, 1913) as provided in Section 24916, is less than the fair market value of the property as of March 1, 1913, then the basis for determining gain shall be such fair market value. In determining the fair market value of stock in a corporation as of March 1, 1913, due regard shall be given to the fair market value of the assets of the corporation as of that date.

Property
acquired
before
March 1,
1913

24964. Whenever a taxpayer has realized gain or loss upon the receipt after January 1, 1928, at a time when it was subject to a tax under this part, of all or substantially all of the business or property of a taxpayer over which it exercised control within the meaning of Section 24564, and such gain or loss actually was not taken into account in the computation of taxes imposed by this part, the basis of the property or business acquired shall be the same as it was in the hands of the transferor.

Receipt of
business and
property of
controlled
corporation

24971. If the sale or exchange of property (including stock in a corporation) is certified by the Federal Communications Commission to be necessary or appropriate to effectuate the policies of the commission with respect to the ownership and control of radio broadcasting stations, such sale or exchange shall, if the taxpayer so elects, be treated as an involuntary conversion of such property within the meaning of Sections 24943 to 24947, inclusive. For purposes of such section as made applicable by the provisions of this section, stock of a corporation operating a radio broadcasting station, whether or not representing control of such corporation, shall be treated as property similar or related in service or use to the property so converted. The part of the gain, if any, on such sale or exchange to which Sections 24943 to 24947, inclusive, is not applied shall nevertheless not be recognized, if the taxpayer so elects, to the extent that it is applied to reduce the basis for determining gain or loss on sale or exchange of property, of a character subject to the allowance for depreciation under Section 24349, remaining in the hands of the taxpayer immediately after the sale or exchange, or acquired in the same income year. The manner and amount of such reduction shall be determined under regulations prescribed by the Franchise Tax Board. Any election made by the taxpayer under this section shall be made by a statement to that effect in his return for the income year in which the sale or exchange takes place, and such election shall be binding for the income year and all subsequent income years.

Sales, etc.
certified
by F C C

Stock, etc.,
distributions
pursuant to
order of
F S E C

24981. No gain or loss shall be recognized to a shareholder from a distribution of stocks or securities in liquidation of a corporation made pursuant to an order of the Federal Securities and Exchange Commission under authority vested in it by that act of Congress known as the Public Utility Holding Company Act of 1935 as amended.

Same—
Stocks and
securities
received on
or after
January
1, 1943

24988. In the case of stocks or securities received by a taxpayer on or after January 1, 1943, under circumstances described in Section 24981, the basis of such stocks or securities shall be the same as that of the stocks or securities for the surrender of which they were acquired.

Article 5. Wash Sales of Stock or Securities

Wash sales

24998. (a) In the case of any loss claimed to have been sustained from any sale or other disposition of shares of stock or securities where it appears that, within a period beginning 30 days before the date of such sale or disposition and ending 30 days after such date, the taxpayer has acquired (by purchase or by an exchange on which the entire amount of gain or loss was recognized by law), or has entered into a contract or option so to acquire, substantially identical stock or securities, then no deduction shall be allowed a corporation under Section 24347(a) unless it is a dealer in stocks or securities, and the loss is sustained in a transaction made in the ordinary course of its business.

(b) If the amount of stock or securities acquired (or covered by the contract or option to acquire) is less than the amount of stock or securities sold or otherwise disposed of, then the particular shares of stock or securities the loss from the sale or other disposition of which is not deductible shall be determined under regulations prescribed by the Franchise Tax Board.

(c) If the amount of stock or securities acquired (or covered by the contract or option to acquire) is not less than the amount of stock or securities sold or otherwise disposed of, then the particular shares of stock or securities the acquisition of which (or the contract or option to acquire which) resulted in the nondeductibility of the loss shall be determined under regulations prescribed by the Franchise Tax Board.

(d) If the property consists of stock or securities the acquisition of which (or the contract or option to acquire which) resulted in the nondeductibility (under this section or corresponding provisions of prior laws) of the loss from the sale or other disposition of substantially identical stock or securities, then the basis shall be the basis of the stock or securities so sold or disposed of, increased or decreased, as the case may be, by the difference, if any, between the price at which the property was acquired and the price at which such substantially identical stock or securities were sold or otherwise disposed of.

CHAPTER 16. WAR LOSS RECOVERIES

25001. On the recovery in the income year of any money or property in respect of property considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954, as destroyed or seized, the amount of such recovery shall be included in gross income to the extent provided in Section 25002, unless Sections 25004 to 25006, inclusive, apply to an income year pursuant to an election made by the taxpayer under Section 25009. War loss recoveries

25002. The amount of the recovery of any money or property in respect of property considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954, as destroyed or seized, shall be an amount equal to the aggregate of such money and the fair market value of such property, determined as of the date of the recovery. Amount of recovery

25003. (a) To the extent that the amount of the recovery plus the aggregate of the amounts of previous such recoveries do not exceed that part of the aggregate of the allowable deductions in prior income years on account of the destruction or seizure of property described in Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 which did not result in a reduction of any tax of the taxpayer under this part, such amount shall not be includible in gross income and shall not be deemed gain on the involuntary conversion of property as a result of its destruction or seizure. Treatment of recovery

(b) To the extent that such amount plus the aggregate of the amounts of previous such recoveries exceed that part of the aggregate of such deductions, which did not result in a reduction of any tax of the taxpayer under this part and do not exceed that part of the aggregate of such deductions which did result in a reduction of any tax of the taxpayer under this part, such amount shall be included in gross income but shall not be deemed a gain on the involuntary conversion of property as a result of its destruction or seizure.

(c) To the extent that such amount plus the aggregate of the amounts of previous such recoveries exceed the aggregate of the allowable deductions in prior income years on account of the destruction or seizure of property described in Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954, such amount shall be considered a gain on the involuntary conversion of property as a result of its destruction or seizure and shall be recognized or not recognized as provided in Sections 24943 to 24947, inclusive (relating to involuntary conversions).

(d) If for any previous income year the taxpayer chose under Article 3 Chapter 6 of the Bank and Corporation Tax Law of 1954 to treat any obligations and liabilities as discharged or satisfied out of the property or interest described in Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954, and if such obligations and liabilities were not so discharged or satisfied, the amount of such obligations and

liabilities treated as discharged or satisfied under such Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 shall be considered for purposes of this part as a deduction by reason of such Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 which did not result in a reduction of any tax of the taxpayer under this part.

(e) For purposes of this section, an allowable deduction for any income year on account of the destruction or seizure of property described in Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 shall, to the extent not allowed in computing the tax of the taxpayer for such an income year, be considered an allowable deduction which did not result in a reduction of any tax of the taxpayer under this part.

Amount of
recovery for
property
seized or
destroyed

25004. If this section applies to the income year pursuant to an election made by the taxpayer under Section 25009 or Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954, the amount of the recovery in the income year of any money or property in respect of property considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized, shall be an amount equal to the aggregate of such money and the fair market value of such property, determined as of the date of the recovery. For purposes of this section and Sections 25005 and 25006, in the case of the recovery of the same property or interest considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized, the fair market value of such property or interest shall, at the option of the taxpayer, be considered an amount equal to the adjusted basis (for determining loss) of such property or interest in the hands of the taxpayer on the date such property or interest was considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized. The amount of the recovery determined under this section shall be reduced for purposes of Sections 25005 and 25006 by the amount of the obligations or liabilities with respect to the property considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized in respect of which the recovery was received, if the taxpayer for any previous income year chose under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 to treat such obligations or liabilities as discharged or satisfied out of such property, and such obligations or liabilities were not so discharged or satisfied before the date of the recovery.

Treatment
of recovery

25005. That part of the amount of the recovery, in respect of any property considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized, which is not in excess of the allowable deductions in prior income years on account of such destruction or seizure of the property (the amount of such allowable deductions being first reduced by the aggregate amount of any prior recoveries in respect of the same property) shall be excluded

from gross income for an income year of the recovery for purposes of computing the tax under this part; but there shall be added to, and assessed and collected as a part of, the tax under this part for the income year of the recovery the total increase in the tax under this part for all income years which would result by decreasing, in an amount equal to such part of the recovery so excluded, such deductions allowable in the prior income years with respect to the destruction or seizure of the property. Such increase in the tax for each such year so resulting shall be computed in accordance with regulations prescribed by the Franchise Tax Board. Such regulations shall give effect to previous recoveries of any kind (including recoveries described in Section 24310, relating to recovery of bad debts, etc.) with respect to any prior year, and shall provide for the case where there was no tax for the prior year.

25006. The amount of any recovery or part thereof, in respect of property considered under such Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized which is not excluded from gross income under Section 25005, shall be considered for an income year of the recovery as gain on the involuntary conversion of property as a result of its destruction or seizure and shall be recognized or not recognized as provided in Sections 24943 to 24947, inclusive. Same

25008. For purposes of this article, the restoration in whole or in part of the value of any interest described in Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 by reason of any recovery of money or property in respect of property to which such interest related and which was considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized shall be deemed a recovery of property in respect of property considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized. In applying Sections 25004 to 25006, inclusive, such restoration shall be treated as the recovery of the same interest considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized. Restoration
of value of
interest

25009. If the taxpayer elects to have Sections 25004 to 25006, inclusive, apply to an income year in which he recovered any money or property in respect of property considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954, as destroyed or seized, Sections 25004 to 25006, inclusive, shall apply to all income years of the taxpayer beginning after December 31, 1941, and such election, once made, shall be irrevocable. The election shall be made in such manner and at such time as the Franchise Tax Board may by regulations prescribe, except that no election under this section may be made unless the taxpayer recovers money or property (in respect of property considered under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized) during an income year for which the Election by
taxpayer

election is made. If pursuant to such election Sections 25004 to 25006, inclusive, apply to any income year—

(a) The period of limitations provided in Section 25663 on the making of assessments and the beginning of distraint or a proceeding in court for collection shall not, with respect to—

(1) The amount to be added to the tax for such an income year under Sections 25004 to 25006, inclusive; and

(2) Any deficiency for such an income year or for any other income year, to the extent attributable to the basis of the recovered property being determined under Section 25010(b), expire before the expiration of two years following the date of the making of such election, and such amount and such deficiency may be assessed at any time before the expiration of such period notwithstanding any law or rule of law which would otherwise prevent such assessment and collection; and

(b) In case refund or credit of any overpayment resulting from the application of Sections 25004 to 25006, inclusive, to such income year is prevented on the date of the making of such election, or within one year from such date, by the operation of any law or rule of law, refund or credit of such overpayment may, nevertheless, be made or allowed if claim therefor is filed within one year from such date.

In the case of any income year ending before the date of the making by the taxpayer of an election under this section, no interest shall be paid on any overpayment resulting from the application of Sections 25004 to 25006, inclusive, to such income year, and no interest shall be assessed or collected with respect to any amount or any deficiency specified in subsection (a) for any period before the expiration of six months following the date of the making of such election by the taxpayer.

Unadjusted
basis of
property
recovered

25010. (a) The unadjusted basis of property recovered in respect of property considered as destroyed or seized under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 shall be determined under this section. Such basis shall be an amount equal to the fair market value of such property, determined as of the date of the recovery, reduced by an amount equal to the excess of the aggregate of such fair market value and the amounts of previous recoveries of money or property in respect of property considered under such Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized over the aggregate of the allowable deductions in prior income years on account of the destruction or seizure of property described in such Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954, and increased by that portion of the amount of the recovery which, under Sections 25002 and 25003, is treated as a recognized gain from the involuntary conversion of property. On application of the taxpayer, the aggregate of the basis (determined under the preceding sentence) of any properties recovered in respect of properties considered under such Article 3

of Chapter 6 of the Bank and Corporation Tax Law of 1954 as destroyed or seized may be allocated among the properties so recovered in such manner as the Franchise Tax Board may determine under regulations prescribed by the Franchise Tax Board, and the amounts so allocated to any such property so recovered shall be the unadjusted basis of such property in lieu of the unadjusted basis of such property determined under the preceding sentence.

(b) In the case of a taxpayer who has made an election under Section 25009, the basis of property recovered shall be an amount equal to the value at which such property is included in the amount of the recovery under Section 25004 (determined without regard to the last sentence thereof), reduced by such part of the gain under Section 25006 which is not recognized as provided in Sections 24943 to 24947, inclusive.

25011. (a) The determination as to whether and to what extent an allowable deduction on account of the destruction or seizure of property described in Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 did or did not result in a reduction of any tax of the taxpayer under this part of such code shall be made in accordance with regulations prescribed by the Franchise Tax Board.

Determina-
tion of prior
tax re-
duction

(b) The part of the stock or other interest of the taxpayer treated under Article 3 of Chapter 6 of the Bank and Corporation Tax Law of 1954 as property described in such article shall be treated in the same manner for purposes of this chapter.

CHAPTER 17. ALLOCATION OF INCOME

25101. When the income of a taxpayer subject to the tax imposed under this part is derived from or attributable to sources both within and without the State, the tax shall be measured by the net income derived from or attributable to sources within this State. Such income shall be determined by an allocation upon the basis of sales, purchases, expenses of manufacture, pay roll, value and situs of tangible property or by reference to any of these or other factors or by such other method of allocation as is fairly calculated to determine the net income derived from or attributable to sources within this State. Income from business carried on partly within and partly without this State shall be allocated in such a manner as is fairly calculated to apportion such income among the states or countries in which such business is conducted. Income attributable to isolated or occasional transactions in states or countries in which the taxpayer is not doing business shall be allocated to the state in which the taxpayer has its principal place of business or commercial domicile.

Allocation
of income
within and
without
the State

If the Franchise Tax Board reallocates net income upon its examination of any return, it shall, upon the written request

of the taxpayer, disclose to him the basis upon which its re-allocation has been made.

Taxpayers
owned or
controlled
by same
interests

25102. In the case of two or more persons, as defined in Section 19 of this code, owned or controlled directly or indirectly by the same interests, the Franchise Tax Board may permit or require the filing of a combined report and such other information as it deems necessary and is authorized to impose the tax due under this part as though the combined entire net income was that of one taxpayer, or to distribute, apportion, or allocate the gross income or deductions between or among such taxpayers, if it determines that such consolidation, distribution, apportionment, or allocation is necessary in order to reflect the proper income of any such taxpayers.

Corporation
benefiting its
members or
stockholders
by trans-
actions at
less than
fair price

25103. In the case of a corporation doing business within the meaning of this part, whether under agreement or otherwise, in such manner as either directly or indirectly to benefit the members or stockholders of the corporation, or any of them, or any person or persons, directly or indirectly interested in such business, by rendering services of any nature whatsoever, or acquiring or disposing of its products or the goods or commodities in which it deals, at less than a fair price therefore, the Franchise Tax Board, in order to prevent evasion of taxes or clearly to reflect the income of such corporation, may require a report of such facts as it deems necessary, and may determine the amount which shall be deemed to be the entire net income allocable to this State of the business of such corporation for the calendar or fiscal year, and compute the tax upon such net income. In determining the entire net income the Franchise Tax Board shall have regard to the fair profits which, but for any agreement, arrangement, or understanding, might be or could have been obtained from dealing in such products, goods or commodities.

Consolidated
report of
parent and
subsidiary
corporations

25104. In the case of a corporation liable to report under this part owning or controlling, either directly or indirectly, another corporation, or other corporations, and in the case of a corporation liable to report under this part and owned or controlled, either directly or indirectly, by another corporation, the Franchise Tax Board may require a consolidated report showing the combined net income or such other facts as it deems necessary. The Franchise Tax Board is authorized and empowered, in such manner as it may determine, to assess the tax against either of the corporations whose net income is involved in the report upon the basis of the combined entire net income and such other information as it may possess, or it may adjust the tax in such other manner as it shall determine to be equitable if it determines it to be necessary in order to prevent evasion of taxes or to clearly reflect the net income earned by said corporation or corporations from business done in this State.

Ownership
or control

25105. Direct or indirect ownership or control of more than 50 percent of the voting stock of the taxpayer shall constitute ownership or control for the purposes of this article.

CHAPTER 18. RENEGOTIATIONS

25201. In the case of a contract with the United States or any agency thereof, or any subcontract thereunder, which is made by the taxpayer, if a renegotiation is made in respect of such contract or subcontract and an amount of excessive profits received or accrued under such contract or subcontract for an income year (hereinafter referred to as "prior income year") is eliminated and, in an income year ending after December 31, 1941, the taxpayer is required to pay or repay to the United States or any agency thereof the amount of profits eliminated or the amount of profits eliminated is applied as an offset against other amounts due the taxpayer, then the profits so eliminated shall be excluded from gross income for the prior income year if they were included in gross income for the prior income year. For the purposes of this article—

Renegotiated profits

(a) The term "renegotiation" includes any transaction which is a renegotiation within the meaning of the federal renegotiation act applicable to such transaction, any modification of one or more contracts with the United States or any agency thereof, and any agreement with the United States or any agency thereof in respect of one or more such contracts or subcontracts thereunder.

"Renegotiation"

(b) The term "excessive profits" includes any amount which constitutes excessive profits within the meaning assigned to such term by the applicable federal renegotiation act, any part of the contract price of a contract with the United States or any agency thereof, any part of the subcontract price of a subcontract under such a contract, and any profits derived from one or more such contracts or subcontracts.

"Excessive profits"

(c) The term "subcontract" includes any purchase order or agreement which is a subcontract within the meaning assigned to such term by the applicable federal renegotiation act.

"Subcontract"

(d) The term "federal renegotiation act" includes Section 403 of the Sixth Supplemental National Defense Appropriation Act (Public Law 528, Seventy-seventh Congress, Second Session), as amended or supplemented, the Renegotiation Act of 1948, as amended or supplemented, and the Renegotiation Act of 1951, as amended or supplemented.

"Federal renegotiation act"

25202. In the case of a cost-plus-a-fixed-fee contract between the United States or any agency thereof and the taxpayer, if an item for which the taxpayer has been reimbursed by the United States or any agency thereof is disallowed as an item of cost chargeable to such contract, and, in an income year ending after December 31, 1941, the taxpayer is required to repay the United States or any agency thereof the amount disallowed, or the amount disallowed is applied as an offset against other amounts due the taxpayer, for the purposes of this part the amount so disallowed or so applied as an offset shall be allowed as a deduction in the income year in which the reimbursement for such item was received or was accrued to the extent that the taxpayer's taxable net income for the

Cost-plus-a-fixed-fee contracts

year in which the cost was incurred would have been reduced had no such reimbursement been received or accrued.

Payments,
etc., not
deductible
for year
paid,
incurred
Different
accounting
method
permitted

25203. The amount of the payment, repayment, or offset described in Section 25201 or Section 25202 shall not constitute a deduction for the year in which paid or incurred.

25204. The foregoing provisions of this article shall not apply in respect of any contract if the taxpayer shows to the satisfaction of the Franchise Tax Board that a different method of accounting for the amount of the payment, repayments, or disallowance clearly reflects income, and in such case the payment, repayment, or disallowance shall be accounted for with respect to the income year provided for under such method.

Refund or
credit of
over-
payment

25205. Any overpayment in tax which results from the application of this article shall be credited or refunded as provided in this part. Notwithstanding the provisions of any statute of limitations, such credit or refund shall be made if claim therefor is filed within four years from the last day prescribed for filing the return or within two years from the date of payment, repayment, or offset described in Section 25202 or Section 25203, whichever is later.

Claim in
abatement

25206. If prior to the payment of the last installment of tax for the taxable year the taxpayer becomes entitled to the exclusions or deductions provided in this article for its income year, the taxpayer may, under regulations prescribed by the Franchise Tax Board, file a claim in abatement of any unpaid tax or portion thereof, but not in excess of the reduction in tax resulting from the application of this article.

Reduction of
tax abated

25207. In any case in which a claim in abatement is filed pursuant to Section 25206 and the Franchise Tax Board makes such abatement, the tax disclosed by the original return shall, for the purpose of Article I of Chapter 20, be deemed to be reduced by the amount of tax so abated.

SEC. 21. Chapter 10 of Part 11 of Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 19. RETURNS AND PAYMENTS

SEC. 22. Chapter 11 of Part 11 of Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 20. ASSESSMENTS

SEC. 23. Chapter 12 of Part 11 of Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 21. INTEREST, ADDITIONS TO TAX AND PENAL PROVISIONS

SEC. 24. Chapter 13 of Part 11 of Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 22. REFUNDS AND CREDITS

SEC. 25. Chapter 14 of Part 11 of Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 23. COLLECTION OF TAX

SEC. 26. Chapter 15 of Part 11 of Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 24. ADMINISTRATIVE PROVISIONS

SEC. 27. Section 25403 of the Revenue and Taxation Code is amended to read:

25403. Every return required by this part to be filed with the Franchise Tax Board shall be signed by a principal officer of the taxpayer and contain or be verified by a written declaration that it is made under the penalties of perjury. Verification

In cases where receivers, trustees in bankruptcy, or assignees are operating the property or business of a bank or corporation such receivers, trustees, or assignees shall make returns for such bank or corporation in the same manner and form as such a bank or corporation is required to make a return.

SEC. 28. Section 25675 of the Revenue and Taxation Code is amended to read:

25675. In the case of a deficiency described in Section 24945 or 24946, such deficiency may be assessed at any time prior to the expiration of the time therein provided. Time of
deficiency
assessment

SEC. 29. Section 25901c of the Revenue and Taxation Code is amended to read:

25901c. Except in the case of a jeopardy assessment, the collection of which has been stayed under Article 4 of Chapter 20, where a deficiency, or any interest or additional amounts assessed in connection therewith, or any addition to the tax in case of delinquency provided for in Sections 25931 to 25933, inclusive, is not paid in full within 10 days from the date of notice and demand from the Franchise Tax Board, there shall be collected as a part of the tax, interest upon the unpaid amount at the rate of 6 percent a year from the date of such notice and demand until it is paid. Failure to
make timely
payment
Interest rate

SEC. 30. Section 25902 of the Revenue and Taxation Code is amended to read:

25902. When the correction of an erroneous inclusion or deduction of an item in the computation of income of any year results in an overpayment for one year and a deficiency for another year, the overpayment, if the period within which credit for the overpayment may be allowed has not expired, shall be credited on the deficiency, if the period within which the deficiency may be proposed has not expired, and the balance, if any, shall be credited or refunded as provided in Chapter 22. Offset of
overpay-
ment against
deficiency

This section does not limit the Franchise Tax Board's right to offset or recoup barred assessments against overpayments.

SEC. 31. Section 25931 of the Revenue and Taxation Code is amended to read:

25931. If any taxpayer fails to make and file a return required by this part on or before the due date of the return or the due date as extended by the Franchise Tax Board, Failure to
file return

then, unless it is shown that the failure is due to reasonable cause and not due to wilful neglect, 5 percent of the tax shall be added to the tax for each 30 days or fraction thereof elapsing between the due date of the return and the date on which filed, but the total addition shall not exceed 25 percent of the tax. In the case of a commencing corporation, the penalty shall apply to all tax accruable on the due date of the return. The amount so added to the tax shall be due and payable upon notice and demand from the Franchise Tax Board.

SEC. 32. Section 26073a of the Revenue and Taxation Code is amended to read:

Time
extension

26073a. If (1), the taxpayer has, within the period prescribed in, agreed in writing, under the provisions of Chapter 20, Article 1, to extend the time within which the Franchise Tax Board may propose an additional assessment, or, (2) the taxpayer has agreed with the United States Commissioner of Internal Revenue for an extension, or renewals thereof, of the period for proposing and assessing deficiencies in federal income tax for any year, the period within which a claim for credit or refund may be filed, or credit or refund allowed or made if no claim is filed, shall be the period within which the Franchise Tax Board may make an assessment or a proposed additional assessment under such circumstances. The provisions of this section shall apply to any claim filed, or credit or refund allowed or made, before the execution of such agreements.

SEC. 33. Section 26073b of the Revenue and Taxation Code is amended to read:

Bad debts

26073b. A claim for credit or refund based upon an overpayment on account of the deductibility, under Section 24348, of a bad debt as one which became worthless, or an erroneous inclusion of an amount attributable to the recovery of a bad debt, prior tax or delinquency amount under Section 24310, due to an adjustment of a bad debt deduction, shall be filed within seven years from the date prescribed by law for filing the return for the year with respect to which the claim is made.

SEC. 34. Section 26134 of the Revenue and Taxation Code is amended to read:

Taxpayer's
remedies

26134. Any taxpayer from which a tax is collected by withholding under this section shall be entitled to the remedies set forth in Chapter 22. Any refund of such tax under Chapter 22 shall be made to the withholding agent instead of directly to the taxpayer, if requested in writing by the withholding agent at the time the amounts refundable were transmitted to the Franchise Tax Board.

Tax levy

SEC. 35. This act, inasmuch as it provides for a tax levy for the usual current expenses of the State, shall, under provisions of Section 1 of Article IV of the Constitution, take effect immediately.

Applica-
bility
Income years
commencing
January
1, 1955

SEC. 36. The amendments made by this act are applicable only in the computation of taxes for income years beginning on or after January 1, 1955.

CHAPTER 939

An act to repeal Chapters 1 to 9, inclusive, comprising Sections 17001 to 18305, inclusive, of, and to add Chapters 1 to 16, inclusive, comprising Sections 17001 to 18361, inclusive, to, and to renumber Chapters 10 to 18, inclusive, of, and to amend Sections 18402, 18408, 18410.7, and 18410.9 of, and to add Section 18411 to, and to amend Sections 18433, 18434 and 18451 of, and to add Section 18452 to, and to amend Section 18470 of, and to repeal Sections 18471 and 18472 of, and to amend Sections 18473, 18476 and 18477 of, and to repeal Section 18479 of, and to amend Sections 18581, 18586.1, 18586.4, 18586.5, 18588 and 18810 of, and to add Sections 18886 and 18887 to, and to amend Sections 19053.7 and 19061.1 of, and to repeal Article 1.5 of Chapter 13, comprising Sections 19071 to 19073, inclusive, of, and to add Sections 19261, 19262, 19263, 19264, 19265 and 19266 to, and to amend Section 19281 of, Part 10 of Division 2 of the Revenue and Taxation Code, relating to personal income taxes, and providing that this act shall take effect immediately.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Chapters 1 to 9, inclusive, comprising Sections 17001 to 18305, inclusive, of Part 10 of Division 2 of the Revenue and Taxation Code are hereby repealed. Repeal

SEC. 2. Chapters 1 to 16, inclusive, comprising Sections 17001 to 18361, inclusive, are added to Part 10 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

17001. This part is known and may be cited as the "Personal Income Tax Law." Short title

17002. Except where the context otherwise requires, the definitions given in this chapter govern the construction of this part. Definitions

17003. "Franchise Tax Board" means the Franchise Tax Board described in Part 10, Division 3, Title 2 of the Government Code. "Board" means the State Board of Equalization. "Franchise Tax Board"

17004. "Taxpayer" includes any individual, fiduciary, estate, or trust subject to the tax imposed by this part. "Taxpayer"

17005. "Individual" means a natural person. "Individual"

17006. "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any person, whether individual or corporate, acting in any fiduciary capacity for any person, estate or trust. "Fiduciary"

17007. "Person" includes individuals, fiduciaries, partnerships, and corporations. "Person"

"Partnership"

17008. "Partnership" includes a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this part, a trust or estate or a corporation.

"Partner"

"Partner" includes a member in such a syndicate, group, pool, joint venture, or organization.

A person shall be recognized as a partner for income purposes if he owns a capital interest in a partnership in which capital is a material income-producing factor, whether or not such interest was derived by purchase or gift from any other person.

"Corporation"

17009. "Corporation" includes joint-stock companies or associations, insurance companies, and business trusts or so-called "Massachusetts trusts."

"Taxable year"

17010. "Taxable year" means the calendar year or the fiscal year upon the basis of which the taxable income is computed under this part. If no fiscal year has been established, "taxable year" means the calendar year.

"Taxable year" means, in the case of a return made for a fractional part of a year under this part or under regulations prescribed by the Franchise Tax Board, the period for which the return is made.

"Fiscal year"

17011. "Fiscal year" means an accounting period of 12 months ending on the last day of any month other than December.

"Paid or incurred,"
"paid or accrued"

17012. "Paid or incurred" and "paid or accrued" shall be construed according to the method of accounting upon the basis of which the taxable income is computed under this part.

"Assessment"

17013. "Assessment" includes "proposed additional assessment."

"Resident"

17014. "Resident" includes:

(a) Every individual who is in this State for other than a temporary or transitory purpose.

(b) Every individual domiciled in this State who is outside the State for a temporary or transitory purpose.

Any individual who is a resident of this State continues to be a resident even though temporarily absent from the State.

"Nonresident"

17015. "Nonresident" means every individual other than a resident.

Presumption
of residence

17016. Every individual who spends in the aggregate more than nine months of the taxable year within this State shall be presumed to be a resident. The presumption may be overcome by satisfactory evidence that the individual is in the State for a temporary or transitory purpose.

"United States"

17017. "United States," when used in a geographical sense, includes the states, the Territories of Alaska and Hawaii, the District of Columbia, and the possessions of the United States.

"State"

17018. "State" includes the Territories of Alaska and Hawaii, the District of Columbia, and the possessions of the United States.

17019. "Foreign country" means any jurisdiction other than one embraced within the United States. "Foreign country"

17020. "Trade or business" includes the performance of the functions of a public office. "Trade or business"

17021. As used in this part, if the husband and wife therein referred to are divorced, wherever appropriate to the meaning of this part, the term "wife" shall be read "former wife" and the term "husband" shall be read "former husband." If the payments described in this part are made by or on behalf of the wife or former wife to the husband or former husband instead of vice versa, wherever appropriate to the meaning of this part, the term "husband" shall be read "wife" and the term "wife" shall be read "husband." "Husband," "wife"

17022. The term "military or naval forces of the United States" and the term "armed forces of the United States" each includes all regular and reserve components of the uniformed services which are subject to the jurisdiction of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, and each term also includes the Coast Guard. The members of such forces include commissioned officers and personnel below the grade of commissioned officers in such forces. "Military or naval forces of the United States," etc.

17023. The term "counsel for the Franchise Tax Board," and "Franchise Tax Counsel" as used in this part, means attorney or attorneys appointed or employed by the Franchise Tax Board and acting subject to the approval and under the supervision of the Attorney General. "Counsel for the Franchise Tax Board," etc

17024. The term "Personal Income Tax Law of 1954," means Part 10 of Division 2 of the Revenue and Taxation Code as enacted by the Statutes 1943, Chapter 659, and as subsequently amended, including all amendments enacted prior to January 1, 1955. "Personal Income Tax Law of 1954"

17025. The term "induction period" means any period during which, under laws heretofore or hereafter enacted relating to the induction of individuals for training and service in the armed forces of the United States, individuals (other than individuals liable for induction by reason of a prior deferment) are liable for induction for such training and service. "Induction period"

17026. This part applies to the taxable income of taxpayers received or accrued on or after January 1, 1935. Applicable date

17027. For the purpose of applying the provisions of Sections 17138 and 17140 with respect to accident and health insurance or accident and health plans, for the purpose of applying the provisions of Section 17132(b) with respect to employees' death benefits, and for the purpose of applying the provisions of this part with respect to contributions to or under a stock bonus, pension, profit-sharing, or annuity plan, and with respect to distributions under such a plan, or by a trust forming part of such a plan, the term "employee" shall include a full-time life insurance salesman who is considered an employee for the purpose of Chapter 21 of the Federal "Employee"

Internal Revenue Code, or in the case of services performed before January 1, 1953, who would be considered an employee if his services were performed during 1953.

Construction

17028. The provisions of this code insofar as they are substantially the same as existing statutory provisions relating to the same subject matter shall be construed as restatements and continuations thereof, and not as new enactments.

Effect of
repeal of
provision of
1954 law

17029. The repeal of any provision of the Personal Income Tax Law of 1954 shall not affect any act done or any right accruing or accrued, or any suit or proceeding had or commenced in any civil cause, before such repeal; but all rights and liabilities under such law shall continue, and may be enforced in the same manner, as if such repeal had not been made.

Reference
to other
provisions

17030. For the purpose of applying the Personal Income Tax Law of 1954 or the Personal Income Tax Law as herein enacted to any period, any reference in either such law to another provision of the Personal Income Tax Law of 1954 or the Personal Income Tax Law as herein enacted which is not then applicable to such period shall be deemed a reference to the corresponding provision of the other law which is then applicable to such period.

17031. Any provision of this part which refers to the application of any portion of this part to a prior period (or which depends upon the application to a prior period of any portion of this part) shall, when appropriate and consistent with the purpose of such provision, be deemed to refer to (or depend upon the application of) the corresponding provision of Part 10 of Division 2 of the Revenue and Taxation Code or of such other Personal Income Tax Laws as were applicable to the prior period.

Effect of
division,
etc.,
headings

17032. Division, part, chapter, article, section and subsection headings contained herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this part.

Severability

17033. If any chapter, article, section, subsection, clause, sentence or phrase of this part which is reasonably separable from the remaining portions of this part, or the application thereof to any person, taxpayer or circumstance, is for any reason determined unconstitutional, such determination shall not affect the remainder of this part, nor, will the application of any such provision to other persons, taxpayers or circumstances, be affected thereby.

Application
of amend-
ments

17034. Unless otherwise specifically provided the provisions of any law effecting changes in the computation of taxes shall be applied only in the computation of taxes for taxable years beginning after December 31st, of the year preceding enactment and the remaining provisions of any such law shall become effective on the date it becomes law.

CHAPTER 2. IMPOSITION OF TAX

17041. (a) There shall be levied, collected, and paid for Tax levy, etc each taxable year upon the entire taxable income of every resident of this State and upon the entire taxable income of every nonresident which is derived from sources within this State, taxes in the following amounts and at the following rates upon the amount of taxable income:

Upon taxable incomes not in excess of five thousand dollars Rates (\$5,000), 1 percent of such taxable incomes.

Fifty dollars (\$50) upon taxable incomes of five thousand dollars (\$5,000); and upon taxable incomes in excess of five thousand dollars (\$5,000) and not in excess of ten thousand dollars (\$10,000), 2 percent in addition of such excess.

One hundred fifty dollars (\$150) upon taxable incomes of ten thousand dollars (\$10,000); and upon taxable incomes in excess of ten thousand dollars (\$10,000) and not in excess of fifteen thousand dollars (\$15,000), 3 percent in addition of such excess.

Three hundred dollars (\$300) upon taxable incomes of fifteen thousand dollars (\$15,000); and upon taxable incomes in excess of fifteen thousand dollars (\$15,000) and not in excess of twenty thousand dollars (\$20,000), 4 percent in addition of such excess.

Five hundred dollars (\$500) upon taxable incomes of twenty thousand dollars (\$20,000); and upon taxable incomes in excess of twenty thousand dollars (\$20,000) and not in excess of twenty-five thousand dollars (\$25,000), 5 percent in addition of such excess.

Seven hundred fifty dollars (\$750) upon taxable incomes of twenty-five thousand dollars (\$25,000); and upon taxable incomes in excess of twenty-five thousand dollars (\$25,000), 6 percent in addition of such excess.

(b) The tax imposed by this part is not a surtax.

Tax not a
surtax

17042. For purposes of this part, an individual shall be considered a head of a household if, and only if, such individual is not married at the close of his taxable year, and either—

Head of
household

(a) Maintains as his home a household which constitutes for such taxable year the principal place of abode, as a member of such household, of—

(1) A son, stepson, daughter, or stepdaughter of the taxpayer, or a descendant of a son or daughter of the taxpayer, but if such son, stepson, daughter, stepdaughter, or descendant is married at the close of the taxpayer's taxable year, only if the taxpayer is entitled to a deduction for such person under Section 17181; or

(2) Any other person who is a dependent of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such person under Section 17181.

For purposes of this section, an individual shall be considered as maintaining a household only if over half of the cost

of maintaining the household during the taxable year is furnished by such individual.

Determina-
tion of
status

17043. For purposes of Section 17042—

(a) A legally adopted child of a person shall be considered a child of such person by blood;

(b) An individual who is legally separated from his spouse under a final decree of divorce or a decree of separate maintenance shall not be considered as married; and

(c) A taxpayer shall be considered as married at the close of his taxable year if his spouse died during the taxable year.

Tax in case
of joint
return

17045. In the case of a joint return of a husband and wife under Section 18402, the tax imposed by Section 17041 shall be twice the tax which would be imposed if the taxable income were cut in half.

Optional tax

17048. (a) In lieu of the tax imposed under Section 17041 of this part, there shall be levied, collected and paid for each taxable year upon the taxable income of each individual whose adjusted gross income for such year is less than five thousand dollars (\$5,000), or in the case of a married couple filing a joint return for such year whose adjusted gross income is less than ten thousand dollars (\$10,000), and who has elected to pay the tax imposed by this section for such year, the tax shown in the following table:

Schedule

The tax shall be—

If the adjusted gross income is over—	But not over—	Single per- son (not head of household)	(1) Married person making separate return, or (2) Married couple making joint return (tax is on one-half the amount subject to tax)		Head of household
			\$0		
\$0	\$1,900	\$0	\$0		\$0
1,900	1,950	0	.60		0
1,950	2,000	0	1.07		0
2,000	2,050	0	1.54		0
2,050	2,100	0	2.01		0
2,100	2,150	0	2.48		0
2,150	2,200	.45	2.95		0
2,200	2,250	.92	3.42		0
2,250	2,300	1.39	3.89		0
2,300	2,350	1.86	4.36		0
2,350	2,400	2.33	4.83		0
2,400	2,450	2.80	5.30		0
2,450	2,500	3.27	5.77		0
2,500	2,550	3.74	6.24		0
2,550	2,600	4.21	6.71		0
2,600	2,650	4.68	7.18		0
2,650	2,700	5.15	7.65		0
2,700	2,750	5.62	8.12		0
2,750	2,800	6.09	8.59		0
2,800	2,850	6.56	9.06		0
2,850	2,900	7.03	9.53		0

The tax shall be—

If the adjusted gross income is over—	But not over—	Single per- son (not head of household)	The tax shall be—	
			(1) Married person making separate return, or (2) Married couple making joint return (tax is on one-half the amount subject to tax)	Head of household
\$2,900	\$2,950	\$7 50	\$10.00	\$0
2,950	3,000	7.97	10.47	0
3,000	3,050	8.44	10.94	0
3,050	3,100	8.91	11.41	0
3,100	3,150	9.38	11.88	0
3,150	3,200	9.85	12.35	0
3,200	3,250	10.32	12.82	0
3,250	3,300	10.79	13.29	0
3,300	3,350	11.26	13.76	0
3,350	3,400	11.73	14.23	0
3,400	3,450	12.20	14.70	0
3,450	3,500	12.67	15.17	0
3,500	3,550	13.14	15.64	0
3,550	3,600	13.61	16.11	0
3,600	3,650	14.08	16.58	0
3,650	3,700	14.55	17.05	0
3,700	3,750	15 02	17 52	0
3,750	3,800	15.49	17.99	.49
3,800	3,850	15.96	18.46	.96
3,850	3,900	16.43	18.93	1.43
3,900	3,950	16.90	19.40	1.90
3,950	4,000	17.37	19 87	2.37
4,000	4,050	17.84	20 34	2.84
4,050	4,100	18.31	20.81	3.31
4,100	4,150	18.78	21.28	3.78
4,150	4,200	19 25	21.75	4.25
4,200	4,250	19.72	22 22	4.72
4,250	4,300	20.19	22.69	5.19
4,300	4,350	20 66	23.16	5.66
4,350	4,400	21.13	23.63	6.13
4,400	4,450	21.60	24.10	6.60
4,450	4,500	22.07	24.57	7.07
4,500	4,550	22.54	25 04	7.54
4,550	4,600	23.01	25.51	8.01
4,600	4,650	23.48	25.98	8.48
4,650	4,700	23.95	26.45	8.95
4,700	4,750	24.42	26.92	9.42
4,750	4,800	24 89	27.39	9.89
4,800	4,850	25.36	27.86	10.36
4,850	4,900	25.83	28.33	10.83
4,900	4,950	26.30	28.80	11.30
4,950	4,999.99	26.77	29.27	11.77

Credit for dependents.

In applying the above schedule to determine the tax of a taxpayer with one or more dependents, there shall be subtracted from his adjusted gross income four hundred dollars (\$400) for each such dependent.

Definitions

(b) For the purpose of this section—

(1) "Married person" means a married person on the last day of the taxable year, unless his spouse dies during the taxable year, in which case such determination shall be made as of the date of the spouse's death.

(2) "Dependent" means a person who is a dependent under Section 17182.

(3) An individual not a head of a household or a married person shall be treated as a single person.

Manner of election

17049. The election referred to in Section 17048 shall be made in the manner provided in regulations prescribed by the Franchise Tax Board.

Election of husband or wife

17050. A husband or wife may not elect to pay the optional tax imposed by Section 17048 if the tax of the other spouse is determined under Section 17041 on the basis of taxable income computed without regard to the standard deduction. For purposes of the preceding sentence, determination of marital status shall be made under Section 17173.

When optional tax inapplicable

17051. Section 17048 shall not apply to—

(a) An individual making a return under Section 17553(a) of less than 12 months on account of a change in his accounting period; or

(b) An estate or trust.

Determination of taxable income on election

17052. Whenever it is necessary to determine the taxable income of a taxpayer who made the election referred to in Section 17048, the taxable income shall be determined under Section 17073(b) (relating to definition of taxable income for individuals electing standard deduction).

CHAPTER 3. COMPUTATION OF TAXABLE INCOME

Article 1. Definition of Gross Income, Adjusted Gross Income, and Taxable Income

"Gross Income"

17071. (a) Except as otherwise provided in this part, gross income means all income from whatever source derived, including (but not limited to) the following items:

(1) Compensation for services, including fees, commissions, and similar items;

(2) Gross income derived from business;

(3) Gains derived from dealings in property;

(4) Interest;

(5) Rents;

(6) Royalties;

(7) Dividends;

(8) Alimony and separate maintenance payments;

(9) Annuities;

(10) Income from life insurance and endowment contracts;

(11) Pensions;

- (12) Income from discharge of indebtedness;
- (13) Distributive share of partnership gross income;
- (14) Income in respect of a decedent; and
- (15) Income from an interest in an estate or trust.

(b) For items specifically included in gross income, see Article 2 (Section 17081 and following). For items specifically excluded from gross income, see Article 3 (Section 17131 and following).

17072. For purposes of this part, the term "adjusted ^{"Adjusted gross income"} gross income" means, in the case of an individual, gross income minus the following deductions:

(a) The deductions allowed by this part (other than by Article 7 of this chapter) which are attributable to a trade or business carried on by the taxpayer, if such trade or business does not consist of the performance of services by the taxpayer as an employee.

(b) (1) The deductions allowed by Article 6 (Section 17201 and following) which consist of expenses paid or incurred by the taxpayer, in connection with the performance by him of services as an employee, under a reimbursement or other expense allowance arrangement with his employer.

(2) The deductions allowed by Article 6 (Section 17201 and following) which consist of expenses of travel, meals, and lodging while away from home, paid or incurred by the taxpayer in connection with the performance by him of services as an employee.

(c) The deductions allowed by Article 6 (Section 17201 and following) as losses from the sale or exchange of property.

(d) The deductions allowed by Article 6 (Section 17201 and following), by Section 17252 (relating to expenses for production of income), and by Section 17681 (relating to depletion) which are attributable to property held for the production of rents or royalties.

(e) In the case of a life tenant of property, or an income beneficiary of property held in trust, or an heir, legatee, or devisee of an estate, the deduction for depreciation allowed by Section 17208 and the deduction allowed by Section 17681. Nothing in this section shall permit the same item to be deducted more than once.

17073. (a) Except as provided in subsection (b), for ^{"Taxable income"} purposes of this part the term "taxable income" means gross income, minus the deductions allowed by this part, other than the standard deduction allowed by Article 4 (Section 17171 and following).

(b) In the case of an individual electing under Sections 17174 and 17175 to use the standard deduction provided in Article 4 (Section 17171 and following), for purposes of this part the term "taxable income" means adjusted gross income, minus—

- (1) Such standard deduction; and
- (2) The deductions for exemptions provided in Section 17181.

Article 2. Items Specifically Included in Gross Income

Items
included
in gross
income
Alimony and
separate
maintenance
payments

17081. (a) If a wife is divorced or legally separated from her husband under a decree of divorce or of separate maintenance, the wife's gross income includes periodic payments (whether or not made at regular intervals) received after such decree in discharge of (or attributable to property transferred, in trust or otherwise, in discharge of) a legal obligation which, because of the marital or family relationship, is imposed on or incurred by the husband under the decree or under a written instrument incident to such divorce or separation.

(b) If a wife is separated from her husband and there is a written separation agreement executed after August 16, 1954, the wife's gross income includes periodic payments (whether or not made at regular intervals) received after such agreement is executed which are made under such agreement and because of the marital or family relationship (or which are attributable to property transferred, in trust or otherwise, under such agreement and because of such relationship). This subsection shall not apply if the husband and wife make a single return jointly.

(c) If a wife is separated from her husband, the wife's gross income includes periodic payments (whether or not made at regular intervals) received by her from her husband under a decree entered after March 1, 1954, requiring the husband to make the payments for her support or maintenance. This subsection shall not apply if the husband and wife make a single return jointly.

Payments
to support
minor
children

17082. Section 17081 shall not apply to that part of any payment which the terms of the decree, instrument, or agreement fix, in terms of an amount of money or a part of the payment, as a sum which is payable for the support of minor children of the husband. For purposes of the preceding sentence, if any payment is less than the amount specified in the decree, instrument, or agreement, then so much of such payment as does not exceed the sum payable for support shall be considered a payment for such support.

Principal
sum paid in
installments

17083. (a) (1) For purposes of Section 17081, installment payments discharging a part of an obligation the principal sum of which is, either in terms of money or property, specified in the decree, instrument, or agreement shall not be treated as periodic payments.

(2) If, by the terms of the decree, instrument, or agreement, the principal sum referred to in paragraph (1) is to be paid or may be paid over a period ending more than 10 years from the date of such decree, instrument, or agreement, then (notwithstanding subsection (a)) the installment payments shall be treated as periodic payments for purposes of Section 17081, but (in the case of any one taxable year of the wife) only to the extent of 10 percent of the principal sum. For purposes of the preceding sentence, the part of any principal

sum which is allocable to a period after the taxable year of the wife in which it is received shall be treated as an installment payment for the taxable year in which it is received.

(b) The husband's gross income does not include amounts received which, under Section 17081, are (1) includible in the gross income of the wife; and (2) attributable to transferred property.

17101. Amounts received as an annuity under an annuity or endowment contract shall be included in gross income; except that there shall be excluded from gross income the excess of the amount received in the taxable year over an amount equal to 3 percent of the aggregate premiums or consideration paid for the annuity (whether or not paid during the taxable year), until the aggregate amount excluded from gross income under this part in respect of the annuity, increased by the amount which would have been excluded from gross income in respect of the annuity had this part been in effect continuously from the date at which payments under the annuity were first received, equals the aggregate premiums or consideration paid for the annuity. Annuity

17102. In the case of a transfer for a valuable consideration, by assignment or otherwise, of a life insurance, endowment, or annuity contract, or any interest therein, only the actual value of the consideration and the amount of the premiums and other sums subsequently paid by the transferee shall be exempt from taxation under Section 17101, 17108, 17131, or 17132. Consideration of transfer of life insurance or annuity

17103. Section 17101, 17102, 17108, 17131, or 17132 shall not apply with respect to so much of a payment under a life insurance, endowment, or annuity contract, or any interest therein, as is includible in gross income under Section 17081, 17082, or 17083. Exemption

17104. If an annuity contract is purchased by an employer for an employee under a plan with respect to which the employer's contribution is deductible under Article 2 of Chapter 5 of this part, or Sections 24601 to 24610, inclusive, of this code, or if an annuity contract is purchased for an employee by an employer exempt under Article 4 of Chapter 12, Part 11, Division 2 of this code, the employee shall include in his income the amounts received under such contract for the year received. If the employee paid any of the consideration for the annuity, the annuity shall be included in his income as provided in Section 17101, 17108, 17131, or 17132. The consideration for the annuity is the amount contributed by the employee. Annuity contract for employee

17105. Except as provided in Section 17104, if the employee's rights under the contract are nonforfeitable other than for failure to pay future premiums, the amount contributed by the employer for such annuity contract on or after such rights become nonforfeitable shall be included in the income of the employee in the year in which the amount is contributed. This amount, together with any amounts con- Employee annuities nonforfeitable

tributed by the employee, shall constitute the consideration paid for the annuity contract in determining the amount of the annuity required to be included in the income of the employee under Sections 17101, 17108, 17131, and 17132.

Joint and
survivor's
annuity

17106. For purposes of Sections 17101, 17131, 17132, 17104, and 17105, where amounts are received by a surviving annuitant under a joint and survivor's annuity contract and the basis of such survivor annuitant's interest is determined under Section 18044 the consideration paid for such survivor's annuity shall be considered to be an amount equal to such basis.

Survivor's
interest in
joint and
survivor's
annuity

17107. For the purposes of this section and Sections 18044 and 18045(f), the survivor's interest in a joint and survivor's annuity shall be considered to be property "acquired by bequest, devise or inheritance" from the decedent if the death of the decedent was after December 31, 1952, and if the value of any part of such interest was required to be included in determining the value of the decedent's interest taxable under the California Inheritance Tax Law.

Life insur-
ance, other
than death
benefits

17108. Gross income also does not include amounts received (other than amounts paid by reason of the death of the insured and interest payments on such amounts and other than amounts received as annuities) under a life insurance or endowment contract, but if such amounts (when added to amounts received before the taxable year under such contract) exceed the aggregate premiums or consideration paid (whether or not paid during the taxable year) then the excess shall be included in gross income.

Prizes and
awards

17114. (a) Except as provided in subsection (b) and in Section 17150 (relating to scholarships and fellowship grants), gross income includes amounts received as prizes and awards.

(b) Gross income does not include amounts received as prizes and awards made primarily in recognition of religious, charitable, scientific, educational, artistic, literary, or civic achievement, but only if—

(1) The recipient was selected without any action on his part to enter the contest or proceeding; and

(2) The recipient is not required to render substantial future services as a condition to receiving the prize or award.

Short-term
municipal
bonds

17115. In computing the gross income of a taxpayer who holds during the taxable year a short-term municipal bond (as defined in Section 17116(a)) primarily for sale to customers in the ordinary course of his trade or business—

(a) If the gross income of the taxpayer from such trade or business is computed by the use of inventories and his inventories are valued on any basis other than cost, the cost of securities sold (as defined in Section 17116(b)) during such year shall be reduced by an amount equal to the amortizable bond premium which would be disallowed as a deduction for such year by Section 17217(b) (relating to deduction for amortizable bond premium) if the definition in Section 17220

of the term "bond" did not exclude such short-term municipal bond; or

(b) If the gross income of the taxpayer from such trade or business is computed without the use of inventories, or by use of inventories valued at cost, and the short-term municipal bond is sold or otherwise disposed of during such year, the adjusted basis (computed without regard to this subsection) of the short-term municipal bond shall be reduced by the amount of the adjustment which would be required under Section 18052(e) (relating to adjustment to basis for amortizable bond premium) if the definition in Section 17220 of the term "bond" did not exclude such short-term municipal bond.

17116. For purposes of Section 17115—

"Short-term
municipal
bond"

(a) The term "short-term municipal bond" means any obligation issued by a government or political subdivision thereof if the interest on such obligation is excludable from gross income; but such term does not include such an obligation if—

(1) It is sold or otherwise disposed of by the taxpayer within 30 days after the date of its acquisition by him; or

(2) Its earliest maturity or call date is a date more than five years from the date on which it was acquired by the taxpayer.

(b) The term "cost of securities sold" means the amount ascertained by subtracting the inventory value of the closing inventory of a taxable year from the sum of—

"Cost of
securities
sold"

(1) The inventory value of the opening inventory for such year; and

(2) The cost of securities and other property purchased during such year which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year.

17117. (a) Amounts received as loans from the Commodity Credit Corporation shall, at the election of the taxpayer, be considered as income and shall be included in gross income for the taxable year in which received.

Loans from
Commodity
Credit Cor-
poration

(b) If a taxpayer exercises the election provided for in subsection (a) for any taxable year, then the method of computing income so adopted shall be adhered to with respect to all subsequent taxable years unless with the approval of the Franchise Tax Board a change to a different method is authorized.

17118. Gross income also includes any salary, wages, or compensation of any officer or employee of this State, or of any political subdivision, district, or municipality of this State, and any compensation of officers and employees of the United States or agencies or instrumentalities of the United States to the extent the collection of state taxes thereon is not prohibited by the terms of the "Public Salary Tax Act of 1939," (it being hereby declared to be the policy of this State to comply with the provisions of that act) and all other gains,

Gross income
of govern-
mental
employees

profits, and income which the State may now or hereafter constitutionally tax.

Excess value on purchase or exchange transactions

17119. Where property is acquired in a transaction purporting to be a purchase or an exchange (including transactions described in Article 7 of Chapter 4 of this part, relating to the nonrecognition of gain, but excluding foreclosures or repossessions of properties held for security), and the value thereof is substantially in excess of the value of the money or property surrendered or agreed to be surrendered as a condition of such acquisition, the excess value shall be considered ordinary income taxable under this part unless it can be established (a) that the sole consideration for the acquisition of the property was the money or property surrendered or agreed to be surrendered, or (b) that the excess value was a gift, or (c) that for some other reason the excess value does not constitute income or the gain represented thereby is not recognized.

Article 3. Items Specifically Excluded From Gross Income

Items excluded from gross income
Life Insurance

17131. (a) Except as otherwise provided in subsection (b) and in Section 17134, gross income does not include amounts received (whether in a single sum or otherwise) under a life insurance contract if such amounts are paid by reason of the death of the insured.

(b) In the case of a transfer for a valuable consideration, by assignment, or otherwise, of a life insurance contract or any interest therein, the amount excluded from gross income by paragraph (a) shall not exceed an amount equal to the sum of the actual value of such consideration and the premiums and other amounts subsequently paid by the transferee.

Employee death benefits

17132. (a) Gross income does not include amounts received (whether in a single sum or otherwise) by the beneficiaries or the estate of an employee, if such amounts are paid by or on behalf of an employer and are paid by reason of the death of the employee.

(b) (1) The aggregate amounts excludable under subsection (a) with respect to the death of any employee shall not exceed five thousand dollars (\$5,000).

(2) Subsection (a) shall not apply to amounts with respect to which the employee possessed, immediately before his death, a nonforfeitable right to receive the amounts while living (other than total distributions payable, as defined in Section 17503(e), which are paid to a distributee, by a stock bonus, pension, or profit-sharing trust described in Section 17501 which is exempt from tax under Section 17631, or under an annuity contract under a plan which meets the requirements of subsections (c), (d), (e), and (f) of Section 17501, within one taxable year of the distributee by reason of the employee's death).

(3) Subsection (a) shall not apply to amounts received by a surviving annuitant under a joint and survivor's annuity contract after the first day of the first period for which an amount was received as an annuity by the employee (or would have been received if the employee had lived).

(4) In the case of any amount to which Sections 17101 to 17108, inclusive (relating to annuities, etc.), apply, the amount which is excludable under subsection (a) (as modified by this subsection) shall be determined by reference to the value of such amount as of the day on which the employee died. Any amount so excludable under subsection (a) shall, for purposes of Sections 17101 to 17108, inclusive, be treated as additional consideration paid by the employee.

17133. If any amount excluded from gross income by Sections 17131 or 17132 is held under an agreement to pay interest thereon, the interest payments shall be included in gross income. Interest

17134. (a) The amounts held by an insurer with respect to any beneficiary shall be prorated (in accordance with such regulations as may be prescribed by the Franchise Tax Board) over the period or periods with respect to which such payments are to be made. There shall be excluded from the gross income of such beneficiary in the taxable year received— Proration
of amounts
held by
insurer

(1) Any amount determined by such proration; and

(2) In the case of the surviving spouse of the insured, that portion of the excess of the amounts received under one or more agreements specified in subsection 17134(b)(1) (whether or not payment of any part of such amounts is guaranteed by the insurer) over the amount determined in subsection (a)(1) of this section which is not greater than one thousand dollars (\$1,000) with respect to any insured.

Gross income includes, to the extent not excluded by the preceding sentence, amounts received under agreements to which this section applies.

(b) An amount held by an insurer with respect to any beneficiary shall mean an amount to which Section 17131 applies which is—

(1) Held by any insurer under an agreement provided for in the life insurance contract, whether as an option or otherwise to pay such amount on a date or dates later than the death of the insured; and

(2) Is equal to the value of such agreement to such beneficiary—

(A) As of the date of death of the insured (as if any option exercised under the life insurance contract were exercised at such time); and

(B) As discounted on the basis of the interest rate and mortality tables used by the insurer in calculating payments under the agreement.

(c) For purposes of this section, the term "surviving spouse" means the spouse of the insured as of the date of

death, including a spouse legally separated but not under a decree of final divorce.

(d) This section shall not apply to any amount to which Section 17133 is applicable.

Alimony,
etc.,
payments

17135. (a) Sections 17131 to 17134, inclusive, shall not apply to so much of any payment as is includible in the gross income of the wife under Sections 17081, 17082 and 17083 (relating to alimony) or Sections 17819 and 17820 (relating to income of an estate or trust in case of divorce, etc.).

(b) For definition of "wife" see Section 17021.

Gifts, etc.

17136. (a) Gross income does not include the value of property acquired by gift, bequest, devise, or inheritance.

(b) Subsection (a) shall not exclude from gross income—

(1) The income from any property referred to in subsection (a); or

(2) Where the gift, bequest, devise, or inheritance is of income from property, the amount of such income.

Where, under the terms of the gift, bequest, devise, or inheritance, the payment, crediting, or distribution thereof is to be made at intervals, then, to the extent that it is paid or credited or to be distributed out of income from property, it shall be treated for purposes of paragraph (2) as a gift, bequest, devise, or inheritance of income from property. Any amount included in the gross income of a beneficiary under Chapter 9 shall be treated for purposes of paragraph (2) as a gift, bequest, devise, or inheritance of income from property.

Constitutionally
exempt
income

17137. Gross income does not include income which this State is prohibited from taxing under the Constitution or laws of the United States of America or under the Constitution of this State.

Compensation
for
injury or
sickness

17138. (a) Except in the case of amounts attributable to (and not in excess of) deductions allowed under Sections 17253 to 17256, inclusive (relating to medical, etc., expenses) for any prior taxable year, gross income does not include—

(1) Amounts received under workmen's compensation acts as compensation for personal injuries or sickness;

(2) The amount of any damages received (whether by suit or agreement) on account of personal injuries or sickness;

(3) Amounts received through accident or health insurance for personal injuries or sickness (other than amounts received by an employee, to the extent such amounts (A) are attributable to contributions by the employer which were not includible in the gross income of the employee, or (B) are paid by the employer); and

(4) Amounts received as a pension, annuity, or similar allowance for personal injuries or sickness resulting from active service in the armed forces of any country or in the Coast and Geodetic Survey or the Public Health Service.

(b)(1) For exclusion from employee's gross income of employer contributions to accident and health plans, see Section 17140.

(2) For exclusion of part of disability retirement pay from the application of subsection (a)(4) of this section, see Section 402(h) of the Career Compensation Act of 1949 (37 U. S. C. 272(h)).

17140. Gross income does not include contributions by the employer to accident or health plans for compensation (through insurance or otherwise) to his employees for personal injuries or sickness.

Contributions by employer to sickness, etc., plans

17141. In the case of a minister of the gospel, gross income does not include—

Minister's rental allowance

(1) The rental value of a home furnished to him as part of his compensation; or

(2) The rental allowance paid to him as part of his compensation, to the extent used by him to rent or provide a home.

17142. No amount shall be included in gross income by reason of the discharge, in whole or in part, within the taxable year, of any indebtedness for which the taxpayer is liable, or subject to which the taxpayer holds property, if

Income from discharge of indebtedness

(a) The indebtedness was incurred or assumed by an individual in connection with property used in his trade or business; and

(b) Such taxpayer makes and files a consent to the regulations prescribed under Section 18054 (relating to adjustment of basis) then in effect at such time and in such manner as the Franchise Tax Board by regulations prescribes.

In such case, the amount of any income of such taxpayer attributable to any unamortized premium (computed as of the first day of the taxable year in which such discharge occurred) with respect to such indebtedness shall not be included in gross income, and the amount of the deduction attributable to any unamortized discount (computed as of the first day of the taxable year in which such discharge occurred) with respect to such indebtedness shall not be allowed as a deduction.

17143. Gross income does not include income (other than rent) derived by a lessor of real property on the termination of a lease, representing the value of such property attributable to buildings erected or other improvements made by the lessee.

Lessee improvements on lessor's property

17144. Gross income does not include income attributable to the recovery during the taxable year of a bad debt, prior tax, or delinquency amount, to the extent of the amount of the recovery exclusion with respect to such debt, tax, or amount.

Recovery of bad debts

17145. For purposes of Section 17144—

(a) The term "bad debt" means a debt on account of the worthlessness or partial worthlessness of which a deduction was allowed for a prior taxable year.

"Bad debt"

(b) The term "prior tax" means a tax on account of which a deduction or credit was allowed for a prior taxable year.

"Prior tax"

(c) The term "delinquency amount" means an amount paid or accrued on account of which a deduction or credit was allowed for a prior taxable year and which is attributable to failure to file return with respect to a tax, or pay a tax, within

"Delinquency amount"

the time required by the law under which the tax is imposed, or to failure to file a return with respect to a tax or pay a tax.

"Recovery
exclusion"

(d) The term "recovery exclusion," with respect to a bad debt, prior tax, or delinquency amount, means the amount, determined in accordance with regulations prescribed by the Franchise Tax Board, of the deductions or credits allowed, on account of such bad debt, prior tax, or delinquency amount, which did not result in a reduction of the taxpayer's tax under this part or corresponding provisions of prior income tax laws, reduced by the amount excludable in previous taxable years with respect to such debt, tax, or amount under Section 17144

Salaries,
etc., of
members of
armed forces

17146. Gross income does not include the salary, wages, bonuses, allowances, and other compensation received by an individual for his services as a member of the Armed Forces of the United States, including any auxiliary branch thereof, up to and including one thousand dollars (\$1,000) per annum in the aggregate.

Mustering
out pay-
ments, etc

17147. Gross income does not include amounts received during the taxable year as mustering out payments and terminal leave and unused leave pay and bonds, and educational benefits received under federal or state legislation with respect to services in the military or naval forces of the United States.

Scholarships
and fellow-
ships

17150. (a) Gross income does not include—

(1) Any amount received—

(A) As a scholarship at an educational institution (as defined in subsection (c)); or

(B) As a fellowship grant;

including the value of contributed services and accommodations; and

(2) Any amount received to cover expenses for—

(A) Travel;

(B) Research;

(C) Clerical help; or

(D) Equipment;

which are incident to such a scholarship or to a fellowship grant, but only to the extent that the amount is so expended by the recipient.

(b) (1) In the case of an individual who is a candidate for a degree at an educational institution (as defined in subsection (c)), subsection (a) shall not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition to receiving the scholarship or the fellowship grant. If teaching, research, or other services are required of all candidates (whether or not recipients of scholarships or fellowship grants) for a particular degree as a condition to receiving such degree, such teaching, research, or other services shall not be regarded as part-time employment within the meaning of this subsection.

(2) In the case of an individual who is not a candidate for a degree at an educational institution (as defined in subsection (c)), subsection (a) shall apply only if the condition in para-

graph (A) is satisfied and then only within the limitations provided in paragraph (B).

(A) The grantor of the scholarship or fellowship grant is an organization described in Section 23701d of the Bank and Corporation Tax Law which is exempt from tax under Section 23701 of the Bank and Corporation Tax Law, the United States, an instrumentality or agency thereof, or a state, a territory, or a possession of the United States, or any political subdivision thereof, or the District of Columbia.

(B) The amount of the scholarship or fellowship grant excluded under subsection (a)(1) in any taxable year shall be limited to an amount equal to three hundred dollars (\$300) times the number of months for which the recipient received amounts under the scholarship or fellowship grant during such taxable year, except that no exclusion shall be allowed under subsection (a) after the recipient has been entitled to exclude under this section for a period of 36 months (whether or not consecutive) amounts received as a scholarship or fellowship grant while not a candidate for a degree at an educational institution (as defined in subsection (c)).

(c) For the purposes of this section and Section 17185, the term "educational institution" means only an educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on. "Educational institution"

17151. There shall be excluded from gross income of an employee the value of any meals or lodging furnished to him by his employer for the convenience of the employer, but only if— Meals or lodging

(a) In the case of meals, the meals are furnished on the business premises of the employer; or

(b) In the case of lodging, the employee is required to accept such lodging on the business premises of his employer as a condition of his employment.

In determining whether meals or lodging are furnished for the convenience of the employer, the provisions of an employment contract or of a state statute fixing terms of employment shall not be determinative of whether the meals or lodging are intended as compensation.

17153. Gross income does not include wages, fees, or salary of an employee of a foreign country (including a consular or other officer, or a nondiplomatic representative) receive as compensation for official services to that country: Compensation of foreign country employee

(a) If the employee is not a citizen of the United States; and

(b) If the services are of a character similar to those performed by employees of the United States in foreign countries; and

(c) If the foreign country and political subdivisions thereof do not tax the wages, fees, or salaries of employees of the United States performing similar services in that country.

Article 4. Standard Deduction

Standard
deduction

17171. (a) A taxpayer, at his election, may take a standard deduction as follows:

(1) If his adjusted gross income is five thousand dollars (\$5,000) or more, the standard deduction shall be three hundred dollars (\$300);

(2) If his adjusted gross income is less than five thousand dollars (\$5,000), the standard deduction shall be an amount equal to 6 percent of the adjusted gross income upon the basis of which the tax applicable to the adjusted gross income of the taxpayer is determined under the tax table provided in Section 17048;

(3) If the adjusted gross income of a married couple filing a joint return is less than ten thousand dollars (\$10,000), the standard deduction shall be an amount equal to twice 6 percent of one-half of the total adjusted gross income of both taxpayers upon the basis of which the tax applicable to one-half of the adjusted gross income of the taxpayers is determined under the tax table provided in Section 17048;

(4) If the adjusted gross income of a married couple filing a joint return is ten thousand dollars (\$10,000) or more, the standard deduction shall be six hundred dollars (\$600).

(b) The standard deduction provided for in subsection (a) shall be in lieu of all deductions other than those which under Section 17072 are to be subtracted from gross income in computing adjusted gross income.

Same.
Husband
or wife

17172. (a) The standard deduction shall not be allowed to a husband or wife if the tax of the other spouse is determined under Section 17041 on the basis of the taxable income computed without regard to the standard deduction.

(b) The standard deduction shall not be allowed in computing the taxable income of—

(1) An individual making a return under Section 17553 (a) for a period of less than 12 months on account of a change in his annual accounting period; or

(2) An estate or trust, common trust fund, or partnership.

17173. For purposes of this article—

(a) The determination of whether an individual is married shall be made as of the close of his taxable year; except that if his spouse dies during his taxable year such determination shall be made as of the time of such death; and

(b) An individual legally separated from his spouse under a final decree of divorce or of separate maintenance shall not be considered as married.

Election

17174. (a) If the adjusted gross income shown on the return is five thousand dollars (\$5,000) or more, or in the case of a married couple is ten thousand dollars (\$10,000) or more, the standard deduction shall be allowed if the taxpayer so elects in his return, and the Franchise Tax Board shall by regulations prescribe the manner of signifying such election in the return. If the adjusted gross income shown on the re-

turn is five thousand dollars (\$5,000) or more, or in the case of a married couple is ten thousand dollars (\$10,000) or more, but the correct adjusted gross income is less than five thousand dollars (\$5,000), or in the case of a married couple is less than ten thousand dollars (\$10,000), then an election by the taxpayer under the preceding sentence to take the standard deduction shall be considered as his election to pay the tax imposed by Section 17048 (relating to tax based on tax table); and his failure to make under the preceding sentence an election to take the standard deduction shall be considered his election not to pay the tax imposed by Section 17048.

(b) If the adjusted gross income shown on the return is less than five thousand dollars (\$5,000), or in the case of a married couple is less than ten thousand dollars (\$10,000), the standard deduction shall be allowed only if the taxpayer elects, in the manner provided in Sections 17049 and 17050 to pay the tax imposed by Section 17048. If the adjusted gross income shown on the return is less than five thousand dollars (\$5,000), or in the case of a married couple is less than ten thousand dollars (\$10,000), but the correct adjusted gross income is five thousand dollars (\$5,000) or more, or in the case of a married couple is ten thousand dollars (\$10,000) or more, then an election by the taxpayer to pay the tax imposed by Section 17048 shall be considered as his election to take the standard deduction; and his failure to elect to pay the tax imposed by Section 17048 shall be considered his election not to take the standard deduction.

(c) If the taxpayer on making his return fails to signify, in the manner provided by subsection (a) or (b), his election to take the standard deduction or to pay the tax imposed by Section 17048, as the case may be, such failure shall be considered his election not to take the standard deduction.

Failure
to make
election

17175. Under regulations prescribed by the Franchise Tax Board, a change of an election for any taxable year to take, or not to take, the standard deduction, or to pay, or not to pay, the tax under Section 17048, may be made after the filing of the return for such year. If the spouse of the taxpayer filed a separate return for any taxable year corresponding, for purposes of Section 17172, to the taxable year of the taxpayer, the change shall not be allowed unless, in accordance with such regulations—

Change of
election

(a) The spouse makes a change of election with respect to the standard deduction for the taxable year covered in such separate return, consistent with the change of election sought by the taxpayer; and

(b) The taxpayer and his spouse consent in writing to the assessment, within such period as may be agreed on with the Franchise Tax Board, of any deficiency, to the extent attributable to such change of election, even though at the time of the filing of such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law.

Article 5. Deductions for Personal Exemption

Deductions
for personal
exemptions

17181. (a) In the case of an individual, the exemptions provided by this section shall be allowed as deductions in computing taxable income.

(b) In the case of a single individual a personal exemption of two thousand dollars (\$2,000), or, in the case of a head of a household or a married individual, a personal exemption of three thousand five hundred dollars (\$3,500). A husband and wife shall receive but one personal exemption of three thousand five hundred dollars (\$3,500). If the husband and wife make separate returns, the personal exemption may be taken by either or divided between them.

(c) (1) An additional exemption of five hundred dollars (\$500) for the taxpayer if he is blind at the close of his taxable year.

(2) An additional exemption of five hundred dollars (\$500) for the spouse of the taxpayer if a separate return is made by the taxpayer, and if the spouse is blind and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(3) For the purposes of this section an individual is blind only if either: his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

(d) An exemption of four hundred dollars (\$400) for each dependent (as defined in Section 17182).

"Depend-
ents"

17182. For the purposes of this part, the term "dependents" means any of the following individuals over half of whose support, for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer (or is treated under Section 17184 as received from the taxpayer):

(a) A son or daughter of the taxpayer, or a descendant of either;

(b) A stepson or stepdaughter of the taxpayer;

(c) A brother, sister, stepbrother, or stepsister of the taxpayer;

(d) The father or mother of the taxpayer or an ancestor of either;

(e) A stepfather or stepmother of the taxpayer;

(f) A son or daughter of a brother or sister of the taxpayer;

(g) A brother or sister of the father or mother of the taxpayer;

(h) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the taxpayer

17183. For purposes of Section 17182—

(a) The terms "brother" and "sister" include a brother or sister by the half blood. "Brother" and "sister"

(b) In determining whether any of the relationships specified in Section 17182 or subsection (a) of this section exists, a legally adopted child of an individual shall be treated as a child of such individual by blood. A child shall be deemed legally adopted when placed in custody of the taxpayer for adoption by the latter or his spouse. Legally adopted child

(c) The term "dependent" does not include any individual who is not a citizen of the United States unless such individual is a resident of the United States, of a country contiguous to the United States, of the Canal Zone, or of the Republic of Panama. "Dependent"

(d) A payment to a wife which is includible in the gross income of the wife under Section 17081 or 17819 shall not be treated as a payment by her husband for the support of any dependent. Payments of wife includible in wife's gross income

(e) If the taxpayer would not occupy the status of head of a household except by reason of there being one or more dependents for whom he would be entitled to claim a deduction under Section 17181, the deduction shall be disallowed with respect to one of the dependents. Dependents of head of household

17184. For purposes of Section 17182 half of the support of an individual for a calendar year shall be treated as received from the taxpayer if— Multiple support agreement.

(a) No one person contributed over half of such support;

(b) Over half of such support was received from persons each of whom, but for the fact that he did not contribute over half of such support, would have been entitled to claim such individual as a dependent for a taxable year beginning in such calendar year;

(c) The taxpayer contributed over 10 percent of such support; and

(d) Each person described in subsection (b) (other than the taxpayer) who contributed over 10 percent of such support files a written declaration (in such manner and form as the Franchise Tax Board may by regulations prescribe) that he will not claim such individual as a dependent for any taxable year beginning in such calendar year

17185. For purposes of Section 17182, in the case of any individual who is— Special support test in case of students

(a) A son, stepson, daughter, or stepdaughter of the taxpayer (within the meaning of this Article), and

(b) A student, amounts received as scholarships for study at an educational institution (as defined in Section 17150(c)) shall not be taken into account in determining whether such individual received more than half of his support from the taxpayer.

17186. For purposes of this part—

(a) The determination of whether an individual is married or is the head of a household shall be made as of the close of his taxable year; except that if an individual or his spouse Determination of status of individual

dies during his taxable year such determination shall be made as of the time of such death; and

(b) If an individual, his spouse, or in the case of head of household the dependent giving the taxpayer that status dies during the taxable year, such determination shall be made as of the date of death.

Article 6. Itemized Deductions

Itemized
deductions
Allowance

17201. In computing taxable income under Section 17073, there shall be allowed as deductions the items specified in this article, subject to the exceptions provided in Article 8 (Section 17281 and following, relating to items not deductible).

Trade or
business
expenses

17202. (a) There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including—

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered;

(2) Traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; and

(3) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity.

(b) No deduction shall be allowed under subsection (a) for any contribution or gift which would be allowable as a deduction under Section 17214 were it not for the percentage limitations, or the requirements as to the time of payment, set forth in such section.

(c) For special rule relating to expenses in connection with subdividing real property for sale, see Sections 18197 and 18198.

Interest on
Indebtedness

17203. In computing taxable income there shall be allowed as a deduction all interest paid or accrued within the taxable year on indebtedness of the taxpayer. However, no deduction shall be allowed (a) to the extent that it is connected with income not taxable under this part; or (b) for interest paid or accrued within the taxable year on indebtedness incurred or continued to purchase or carry obligations, the interest upon which is wholly exempt from the tax imposed by this part. The proper apportionment and allocation of the deduction with respect to taxable and nontaxable income shall be determined under rules and regulations prescribed by the Franchise Tax Board.

Taxes

17204. (a) Except as otherwise provided in this section, there shall be allowed as a deduction taxes paid or accrued within the taxable year.

(b) No deduction shall be allowed for the following taxes:

(1) Taxes paid or accrued to the State under this part;

(2) Taxes on or according to or measured by income or profits paid or accrued within the taxable year imposed by the authority of:

(A) The Government of the United States or any foreign country;

(B) Any state, territory, county, city and county, school district, municipality, or other taxing subdivision of any state or territory;

(3) Estate, inheritance, legacy, succession, and gift taxes;

(4) Taxes computed as an addition to, or as a percentage of, taxes which are not deductible under this section;

(5) Taxes assessed against local benefits of a kind tending to increase the value of the property assessed, but this does not exclude the allowance as a deduction of so much of the taxes assessed against local benefits as is properly allocable to maintenance or interest charges. Nor does this exclude the allowance of any irrigation or other water district taxes or assessments which are levied for the payment of the principal of any improvement or other bonds for which a general assessment on all lands within the district is levied as distinguished from a special assessment levied on part of the area within the district.

(c) (1) In the case of any state or local sales tax, if the amount of the tax is separately stated, then, to the extent that the amount so stated is paid by the consumer (otherwise than in connection with the consumer's trade or business) to his seller, such amount shall be allowed as a deduction to the consumer as if it constituted a tax imposed on, and paid by, such consumer.

(2) For purposes of paragraph (c)(1), the term "State or local sales tax" means a tax imposed by a state, a territory, a possession of the United States, or a political subdivision of any of the foregoing, or by the District of Columbia, which tax—

(A) Is imposed on persons engaged in selling tangible personal property at retail (or on persons selling gasoline or other motor vehicle fuels at wholesale or retail) and is a stated sum per unit of property sold or is measured either by the gross sales price or by the gross receipts from the sale; or

(B) Is imposed on persons engaged in furnishing services at retail and is measured by the gross receipts for furnishing such services.

17206. (a) There shall be allowed as a deduction any loss ^{Losses} sustained during the taxable year and not compensated for by insurance or otherwise.

(b) For purposes of subsection (a), the basis for determining the amount of the deduction for any loss shall be the adjusted basis provided in Section 18041 for determining the loss from the sale or other disposition of property.

(c) In the case of an individual, the deduction under subsection (a) shall be limited to—

(1) Losses incurred in a trade or business;

(2) Losses incurred in any transaction entered into for profit, though not connected with a trade or business; and

(3) Losses of property not connected with a trade or business, if such losses arise from fire, storm, shipwreck, or other casualty, or from theft. No loss described in this paragraph shall be allowed if at the time of the filing of the return, such loss has been claimed for inheritance tax purposes in the inheritance tax return.

(d) Losses from wagering transactions shall be allowed only to the extent of the gains from such transactions.

(e) For purposes of subsection (a), any loss arising from theft shall be treated as sustained during the taxable year in which the taxpayer discovers such loss.

(f) Losses from sales or exchanges of capital assets shall be allowed only to the extent allowed in Section 18152.

(g) (1) If any security which is a capital asset becomes worthless during the taxable year, the loss resulting therefrom shall, for purposes of this part, be treated as a loss from the sale or exchange, on the last day of the taxable year, of a capital asset.

“Security” (2) For purposes of this subsection, the term “security” means—

(A) A share of stock in a corporation;

(B) A right to subscribe for, or to receive, a share of stock in a corporation; or

(C) A bond, debenture, note, or certificate, or other evidence of indebtedness, issued by a corporation or by a government or political subdivision thereof, with interest coupons or in registered form.

Bad debts 17207. In computing taxable income there shall be allowed as a deduction debts which become worthless within the taxable year or, in the discretion of the Franchise Tax Board, a reasonable addition to a reserve for bad debts. When satisfied that a debt is recoverable only in part, the Franchise Tax Board may allow the debt as a deduction in an amount not in excess of the part charged off within the taxable year as a deduction. If a debt was actually worthless prior to January 1, 1943, but was not ascertained to be worthless and charged off prior to that date, a deduction may be taken therefor during the first taxable year ending after December 31, 1942; if a portion of a debt is claimed and allowed as a deduction in any year no deduction shall be allowed in any subsequent year for any portion of the debt which was charged off, regardless of whether or not claimed as a deduction in any prior year. This section does not apply to a debt evidenced by a security as defined in Section 17206(g)(2)(C).

Depreciation 17208. In computing taxable income there shall be allowed as a deduction a reasonable allowance for the exhaustion, wear and tear of property used in the trade or business or of property held for the production of taxable income, including a reasonable allowance for obsolescence. A taxpayer may elect to claim a deduction for amortization of emergency facilities,

as defined by Section 168 of the Internal Revenue Code of 1954, under regulations prescribed by the Franchise Tax Board. In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant. In the case of property held in trust the allowable deduction shall be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each.

17209. The basis on which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the adjusted basis provided in Section 18041 for the purpose of determining the gain on the sale or other disposition of such property. Same Basis

17214. In computing taxable income there shall be allowed as a deduction, in the case of an individual, contributions or gifts payment of which is made within the taxable year to or for the use of: Charitable,
etc., con-
tributions
and gifts

(a) The United States, any state, territory, or any political subdivision thereof, or the District of Columbia, for exclusively public purposes.

(b) A corporation, or trust, or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation. For disallowance of certain charitable, etc., deductions otherwise allowable under this subsection, see Article 6 of Chapter 9.

(c) The special fund for vocational rehabilitation authorized by Section 12 of the World War Veterans' Act, 1924.

(d) Posts or organizations of war veterans, or auxiliary units or societies of any such posts or organizations, if the posts, organizations, units, or societies are organized in the United States and if no part of their net earnings inures to the benefit of any private shareholder or individual.

(e) A fraternal society, order, or association, operating under the lodge system, but only if the contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes or for the prevention of cruelty to children or animals.

17215. Deductions for contributions or gifts shall be allowed to an amount which in all cases listed in Section 17214 combined does not exceed 20 percent of the taxpayer's adjusted gross income. The contributions or gifts shall be allowed as deductions only if verified under rules and regulations prescribed by the Franchise Tax Board. Same:
Limitations

Same:
Limitation
not
applicable

17216. In the case of an individual if in the taxable year and in each of the 10 preceding taxable years the amount of the contributions or gifts described in Section 17214, plus the amount of income, war profits, or excess profits taxes paid during such year in respect of preceding taxable years, exceeds 90 percent of the taxpayer's taxable income for each such year, as computed without the benefit of that section, then the 20 percent limit does not apply.

Same
Prohibited
transactions

17216.1. No gift or bequest for religious, charitable, scientific, literary, or educational purposes (including encouragement of art and the prevention of cruelty to children or animals), otherwise allowable as a deduction under Sections 17214(b), 17734, and 17216 shall be allowed as a deduction if made to an organization which, in the taxable year of the organization in which the gift or bequest is made, is not exempt under Section 23701d of this code by reason of the provisions of Sections 23736.2 and 23736.3 of this code. With respect to any taxable year of the organization for which the organization is not exempt pursuant to the provisions of Section 23736.2 of this code by reason of having engaged in a prohibited transaction with the purpose of diverting the corpus or income of such organization from its exempt purposes and such transaction involved a substantial part of such corpus or income, and which taxable year is the same, or prior to the, taxable year of the organization in which such transaction occurred, such deduction shall be disallowed the donor only if such donor or any member of his family (as defined in Section 17289(d)) was a party to such prohibited transaction.

"Gift or
bequest"

For the purposes of this section the term "gift or bequest" means any gift, contribution, bequest, devise, legacy, or transfer.

Amortizable
bond
premium

17217. In the case of any bond, as defined in Section 17220, the following rules shall apply to the amortizable bond premium (determined under Section 17218) on the bond:

(a) In the case of a bond (other than a bond the interest on which is excludable from gross income), the amount of the amortizable bond premium for the taxable year shall be allowed as a deduction.

(b) In the case of any bond the interest on which is excludable from gross income, no deduction shall be allowed for the amortizable bond premium for the taxable year.

(c) For adjustment to basis on account of amortizable bond premium, see Section 18052(d).

Determina-
tion of
amount
of bond
premium

17218. (a) For purposes of subsection (b), the amount of bond premium, in the case of the holder of any bond, shall be determined—

(1) With reference to the amount of the basis (for determining loss on sale or exchange) of such bond;

(2) With reference to the amount payable on maturity or on earlier call date (but in the case of bonds issued after December 31, 1951, and acquired after December 31, 1954, only

if such earlier call date is a date more than three years after the date of such issue); and

(3) With adjustments proper to reflect unamortized bond premium, with respect to the bond, for the period before the date as of which Section 17217 becomes applicable with respect to the taxpayer with respect to such bond.

In no case shall the amount of bond premium on a convertible bond include any amount attributable to the conversion features of the bond.

(b) The amortizable bond premium of the taxable year shall be the amount of the bond premium attributable to such year. In the case of a bond issued after December 31, 1951, and acquired after December 31, 1954, which has a call date not more than three years after the date of such issue, the amount of bond premium attributable to the taxable year in which the bond is called shall include an amount equal to the excess of the amount of the adjusted basis (for determining loss on sale or exchange) of such bond as of the beginning of the taxable year over the amount received on redemption of the bond or (if greater) the amount payable on maturity.

(c) The determinations required under subsections (a) and (b) shall be made—

(1) In accordance with the method of amortizing bond premium regularly employed by the holder of the bond, if such method is reasonable;

(2) In all other cases, in accordance with regulations prescribing reasonable methods of amortizing bond premium prescribed by the Franchise Tax Board.

17219. (a) The amount of the amortizable bond premium for the taxable year shall be allowed as a deduction only if a taxpayer has elected to claim a deduction.

Election to
deduct
amortizable
bond
premium

(b) The election authorized under this section shall be made in accordance with such regulations as the Franchise Tax Board shall prescribe. If such election is made with respect to any bond of the taxpayer, it shall also apply to all such bonds held by the taxpayer at the beginning of the first taxable year to which the election applies and to all such bonds thereafter acquired by him and shall be binding for all subsequent taxable years with respect to all such bonds of the taxpayer, unless, on application by the taxpayer, the Franchise Tax Board permits him, subject to such conditions as the Franchise Tax Board deems necessary, to revoke such election. In the case of bonds held by a common trust fund, as defined in Section 17671, the election authorized under this section shall be exercisable with respect to such bonds only by the common trust fund. In case of bonds held by an estate or trust, the election authorized under this section shall be exercisable with respect to such bonds only by the fiduciary.

17220. For purposes of Section 17217, the term "bond" means any bond, debenture, note, or certificate or other evidence of indebtedness, issued by any corporation and bearing interest (including any like obligation issued by a government

"Bond"

or political subdivision thereof), but does not include any such obligation which constitutes stock in trade of the taxpayer or any such obligation of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or any such obligation held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business.

Titles re
dealers in
tax-exempt
securities

17221. For special rules applicable, in the case of dealers in securities, with respect to premium attributable to certain wholly tax-exempt securities, see Sections 17115 and 17116.

Circulation
expenditures

17222. Notwithstanding Section 17283, all expenditures (other than expenditures for the purchase of land or depreciable property or for the acquisition of circulation through the purchase of any part of the business of another publisher of a newspaper, magazine, or other periodical) to establish, maintain, or increase the circulation of a newspaper, magazine, or other periodical shall be allowed as a deduction; except that the deduction shall not be allowed with respect to the portion of such expenditures as, under regulations prescribed by the Franchise Tax Board, is chargeable to capital account if the taxpayer elects, in accordance with such regulations, to treat such portion as so chargeable. Such election, if made, must be for the total amount of such portion of the expenditures which is so chargeable to capital account, and shall be binding for all subsequent taxable years unless, upon application by the taxpayer, the Franchise Tax Board permits a revocation of such election subject to such conditions as it deems necessary.

Expenditures
for soil and
water conserva-
tion, etc

17224. (a) In the case of a taxpayer engaged in the business of farming, expenditures made for the purpose of soil and water conservation and the prevention of erosion of land used in farming shall be allowed as deductions under Section 17202.

(b) For the purposes of subsection (a); the term "expenditures made for the purpose of soil and water conservation and the prevention of erosion" means expenditures for the treatment, moving, or cultivation of earth, including (but not limited to) leveling, grading and terracing, contour furrowing, the construction of diversion channels and drainage ditches, the control and protection of watercourses, outlets, and ponds, the planting and cultivation of cover and protective crops or windbreaks, the control of weeds and brush and other emergency cultivation and tillage; but such term does not include the purchase, construction, installation, or improvement of structures, appliances, and facilities made of masonry, concrete, tile, metal, or wood such as tanks, reservoirs, pipes, conduits, canals, dams, wells, and pumps, which are subject to the allowance for depreciation provided in Section 17208.

"Land used
in farming"

(c) For the purpose of subsection (a) the term "land used in farming" means land used (prior to the expenditure for conservation made by the taxpayer) by the taxpayer or his tenant or the predecessor owner or his tenant for the pro-

duction of crops, fruits, and similar agricultural products or for the sustenance of livestock.

17225. The deductions permitted by Section 17202 shall not be allowed to the extent that they are connected with the production of income not taxable under this part. Proper apportionment and allocation of such deductions with respect to taxable and nontaxable income shall be determined under rules and regulations prescribed by the Franchise Tax Board. Expense deduction limitations

Article 7. Additional Itemized Deductions

17251. In computing taxable income under Section 17073 (a), there shall be allowed as deductions the items specified in this article, subject to the exceptions provided in Article 8 (Section 17281 and following, relating to items not deductible). Additional itemized deductions

17252. In the case of an individual, there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year— Expenses for production of income

(a) For the production or collection of income;

(b) For the management, conservation, or maintenance of property held for the production of income; or

(c) In connection with the determination, collection, or refund of any tax.

17253. In computing taxable income, there shall be allowed as a deduction, except as limited under Sections 17254 and 17255, expenses paid during the taxable year, not compensated for by insurance or otherwise, for medical care of the taxpayer, his spouse, or a dependent of the taxpayer specified in Section 17181(d). The term "medical care," shall include amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body (including amounts paid for accident or health insurance). Medical expenses

17254. A husband and wife who file a joint return may deduct only those expenses as exceed 5 percent of the aggregate adjusted gross income of the husband and wife, and the maximum deduction for the taxable year shall be not in excess of two thousand five hundred dollars (\$2,500) in the case of husband and wife. Limitation for joint return

17255. An individual who files a separate return may deduct only those expenses as exceed 5 percent of the adjusted gross income of the taxpayer, and the maximum deduction for the taxable year shall be not in excess of two thousand five hundred dollars (\$2,500) in the case of the head of a household, and not in excess of one thousand two hundred fifty dollars (\$1,250) in the case of all other individuals. Limitation for separate return

17256. In the case of a husband and wife filing a joint return or an individual filing a separate return, if the husband or wife or the individual has reached the age of 65 before the close of the taxable year, the expenses for the Individual 65 years of age

medical care of the husband or wife or the individual are deductible without regard to the 5 percent limitation specified in Sections 17254 and 17255.

This section does not relate to or in any way affect the deductibility of expenses incurred for the medical care of a dependent.

Adoption
expense

17259. (a) In computing taxable income, there shall be allowed as a deduction, except as limited under subsections (b) and (c), any expenses paid or incurred by the taxpayer or his spouse in connection with the adoption of a child by them. Such expenses include any medical and hospital expenses of the mother of an adopted child which are incident to the child's birth, and any welfare agency, legal and other fees or costs relating to the adoption.

(b) A husband and wife who file a joint return may deduct only those adoption expenses which exceed 5 percent of the aggregate adjusted gross income of the husband and wife, and the maximum deduction in any such return for any such expenses shall not exceed two thousand five hundred dollars (\$2,500).

(c) A taxpayer who files a separate return may deduct only those adoption expenses which exceed 5 percent of the adjusted gross income of the taxpayer, and the maximum deduction in any such return for any such expenses shall not exceed one thousand two hundred fifty dollars (\$1,250).

Medical and
adoption
expenses

17260. (a) The maximum amount allowable for both medical expenses and adoption expenses in the case of a husband and wife who file a joint return and claim deductions for both medical expenses and adoption expenses is two thousand five hundred dollars (\$2,500).

Maximum

(b) The maximum amount allowable for both medical expenses and adoption expenses in the case of a taxpayer who files a separate return and claims deductions for both medical expenses and adoption expenses is one thousand two hundred fifty dollars (\$1,250).

Limitations

17261. A husband and wife who have paid or incurred both medical expenses and adoption expenses which in the aggregate exceed 5 percent of the aggregate adjusted gross income of the husband and wife shall be allowed a deduction in the amount of such excess, subject to the usual applicable limitations, notwithstanding that the amount paid or incurred for each such type of expenses does not exceed 5 percent of the aggregate adjusted gross income.

A taxpayer who files a separate return and who has paid or incurred both medical expenses and adoption expenses which in the aggregate exceed 5 percent of his adjusted gross income shall be allowed a deduction in the amount of such excess, subject to the usual applicable limitations, notwithstanding that the amount paid or incurred for each such type of expenses does not exceed 5 percent of the adjusted gross income.

Alimony

17263. In the case of a husband described in Section 17081, there shall be allowed as a deduction amounts includible under

Section 17081 in the gross income of his wife, payment of which is made within the husband's taxable year. No deduction shall be allowed under the preceding sentence with respect to any payment if, by reason of Section 17083, 17819 or 17820, the amount thereof is not includible in the husband's gross income.

17264. In computing taxable income, there shall be allowed as a deduction in the case of a tenant-stockholder, amounts, not otherwise deductible, paid or accrued to a cooperative apartment corporation within the taxable year, if those amounts represent that proportion of the real estate taxes on the apartment building and the land on which it is situated, allowable as deductions under Section 17204, paid or incurred by the corporation, or of the interest paid or incurred by the corporation on its indebtedness contracted in the acquisition, construction, alteration, rehabilitation, or maintenance of the apartment building or in the acquisition of the land on which the building is located, which the stock of the corporation owned by the tenant-stockholder is of the total outstanding stock of the corporation, including that held by the corporation.

Taxes and interest paid to cooperative apartment corporation

17265. (a) As used in Section 17264 "cooperative apartment corporation" means a corporation—

"Cooperative apartment corporation"

(1) Having one and only one class of stock outstanding;

(2) All of the stockholders of which are entitled, solely by reason of their ownership of stock in the corporation, to occupy for dwelling purposes apartments in a building owned or leased by such corporation, and who are not entitled, either conditionally or unconditionally, except upon a complete or partial liquidation of the corporation, to receive any distribution not out of earnings and profits of the corporation; and

(3) Eighty percent or more of the gross income of which for the taxable year in which the taxes and interest described in Section 17264 are paid or incurred, is derived from tenant-stockholders.

(b) As used in Section 17264, "tenant-stockholder" means an individual who is a stockholder in a cooperative apartment corporation, and whose stock is fully paid-up in an amount not less than an amount shown to the satisfaction of the Franchise Tax Board as bearing a reasonable relationship to the portion of the value of the corporation's equity in the building and the land on which it is situated, which is attributable to the apartment which such individual is entitled to occupy.

"Tenant-stockholder"

Article 8. Items Not Deductible

17281. In computing taxable income no deduction shall in any case be allowed in respect of the items specified in this article.

Items not deductible

17282. Except as otherwise expressly provided in this part, no deduction shall be allowed for personal, living, or family expenses.

Personal, etc. expenses

17283. No deduction shall be allowed for—

New build-
ings, etc

(a) Any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate. This subsection shall not apply to—

Mines, etc

(1) Expenditures for the development of mines or deposits deductible under Section 17690;

Soil, etc
conservation

(2) Soil and water conservation expenditures deductible under Section 17224.

Restoring
property,
etc

(b) Any amount expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made.

17284. (a) No deduction shall be allowed for—

Life
insurance
contracts

(1) Premiums paid on any life insurance policy covering the life of any officer or employee, or of any person financially interested in any trade or business carried on by the taxpayer, when the taxpayer is directly or indirectly a beneficiary under such policy.

(2) Any amount paid or accrued on indebtedness incurred or continued to purchase or carry a single premium life insurance, endowment, or annuity contract. Paragraph (2) shall apply in respect of annuity contracts only as to contracts purchased after December 31, 1954.

(b) For purposes of subsection (a) (2), a contract shall be treated as a single premium contract—

(1) If substantially all the premiums on the contract are paid within a period of four years from the date on which the contract is purchased; or

(2) If an amount is deposited after December 31, 1954, with the insurer for payment of a substantial number of future premiums on the contract.

17285. No deduction shall be allowed for—

Interest and
expenses re
tax-exempt
income

(a) Any amount otherwise allowable as a deduction which is allocable to one or more classes of income other than interest (whether or not any amount of income of that class or classes is received or accrued) wholly exempt from the taxes imposed by this part, or any amount otherwise allowable under Section 17252 (relating to expenses for production of income) which is allocable to interest (whether or not any amount of such interest is received or accrued) wholly exempt from the taxes imposed by this part.

(b) Interest on indebtedness incurred or continued to purchase or carry obligations the interest on which is wholly exempt from the taxes imposed by this part. The proper apportionment and allocation of the deduction with respect to taxable and nontaxable income shall be determined under rules and regulations prescribed by the Franchise Tax Board.

Taxes and
carrying
charges,
etc

17286. No deduction shall be allowed for amounts paid or accrued for such taxes and carrying charges as, under regulations prescribed by the Franchise Tax Board, are chargeable to capital account with respect to property, if the taxpayer elects, in accordance with such regulations, to treat such taxes or charges as so chargeable.

17287. (a) No deduction shall be allowed—

(1) In respect of losses from sales or exchanges of property (other than losses in cases of distributions in corporate liquidations), directly or indirectly, between persons specified within Section 17288.

Losses
expenses,
and interest
from
transactions
between
related
persons

(2) In respect of expenses, otherwise deductible under Section 17202 or 17252, or of interest, otherwise deductible under Section 17203—

(b) If within the period consisting of the taxable year of the taxpayer and two and one-half months after the close thereof (1) such expenses or interest are not paid, and (2) the amount thereof is not includible in the gross income of the person to whom the payment is to be made; and

(c) If, by reason of the method of accounting of the person to whom the payment is to be made, the amount thereof is not, unless paid, includible in the gross income of such person for the taxable year in which or with which the taxable year of the taxpayer ends; and

(d) If, at the close of the taxable year of the taxpayer or at any time within two and one-half months thereafter, both the taxpayer and the person to whom the payment is to be made are persons specified within any one of the paragraphs of Section 17288.

17288. The persons referred to in Section 17287 are:

Relation-
ships

(a) Members of a family, as defined in Section 17289(d);

(b) An individual and a corporation more than 50 percent in value of the outstanding stock of which is owned, directly or indirectly, by or for such individual;

(c) Two corporations more than 50 percent in value of the outstanding stock of each of which is owned, directly or indirectly, by or for the same individual, if either one of such corporations, with respect to the taxable year of the corporation preceding the date of the sale or exchange was, under the law applicable to such taxable year, a personal holding company or a foreign personal holding company;

(d) A grantor and a fiduciary of any trust;

(e) A fiduciary of a trust and a fiduciary of another trust, if the same person is a grantor of both trusts;

(f) A fiduciary of a trust and a beneficiary of such trust;

(g) A fiduciary of a trust and a beneficiary of another trust, if the same person is a grantor of both trusts;

(h) A fiduciary of a trust and a corporation more than 50 percent in value of the outstanding stock of which is owned, directly or indirectly, by or for the trust or by or for a person who is a grantor of the trust; or

(i) A person and an organization to which Section 23701d of the Bank and Corporation Tax Law (relating to certain educational and charitable organizations which are exempt from tax) applies and which is controlled directly or indirectly by such person or (if such person is an individual) by members of the family of such individual.

Constructive
ownership
of stock

17289. For purposes of determining, in applying Section 17288, the ownership of stock—

(a) Stock owned, directly or indirectly, by or for a corporation, partnership, estate, or trust shall be considered as being owned proportionately by or for its shareholders, partners, or beneficiaries;

(b) An individual shall be considered as owning the stock owned, directly or indirectly, by or for his family;

(c) An individual owning (otherwise than by the application of subsection (b)) any stock in a corporation shall be considered as owning the stock owned, directly or indirectly, by or for his partner;

(d) The family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants; and

(e) Stock constructively owned by a person by reason of the application of subsection (a) shall, for the purpose of applying subsection (a), (b), or (c), be treated as actually owned by such person, but stock constructively owned by an individual by reason of the application of subsection (b) or (c) shall not be treated as owned by him for the purpose of again applying either of such subsections in order to make another the constructive owner of such stock.

Unharvested
crop

17291. Where an unharvested crop sold by the taxpayer is considered under the provisions of Section 18182 as "property used in the trade or business," in computing taxable income no deduction (whether or not for the taxable year of the sale and whether for expenses, depreciation, or otherwise) attributable to the production of such crop shall be allowed.

Bad debts of
political
parties

17293. (a) No deduction shall be allowed under Section 17207 (relating to bad debts) or under Section 17206(g) (relating to worthlessness of securities) by reason of the worthlessness of any debt owed by a political party.

"Political
party"

(b) (1) For purposes of subsection (a), the term "political party" means—

(A) A political party;

(B) A national, state, or local committee of a political party; or

(C) A committee, association, or organization which accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the election of presidential or vice-presidential electors or of any individual whose name is presented for election to any federal, state, or local elective public office, whether or not such individual is elected.

"Contribu-
tions"

(2) For purposes of paragraph (1)(C), the term "contributions" includes a gift, subscription, loan, advance, or deposit, of money, or anything of value, and includes a contract, promise, or agreement to make a contribution, whether or not legally enforceable.

"Expendi-
tures"

(3) For purposes of paragraph (1)(C), the term "expenditures" includes a payment, distribution, loan, advance, deposit, or gift, of money, or anything of value, and includes

a contract, promise, or agreement to make an expenditure, whether or not legally enforceable.

17295. Amounts paid under the laws of any state, territory, District of Columbia, possession of the United States, or foreign country as income to the holder of a life or terminable interest acquired by gift, bequest, or inheritance shall not be reduced or diminished by any deduction for shrinkage (by whatever name called) in the value of such interest due to the lapse of time, or by any deduction allowed by this part (except the deductions provided for in Sections 17208 and 17681) for the purpose of computing the taxable income of an estate or trust but not allowed under the laws of such state, territory, District of Columbia, possession of the United States, or foreign country for the purpose of computing the income to which such holder is entitled.

Holders of
life or
terminable
interest

17297. In computing taxable income, no deductions shall be allowed to any taxpayer on any of his gross income derived from illegal activities as defined in Chapters 9, 10 or 10.5 of Title 9 of Part 1 of the Penal Code of California; nor shall any deductions be allowed to any taxpayer on any of his gross income derived from any other activities which tend to promote or to further, or are connected or associated with, such illegal activities.

Illegal
activities

17298. In computing taxable income no deduction shall be allowed to the obligor of a covenant bond for the payment of the tax imposed by this part, or any other tax paid pursuant to the tax-free covenant clause, nor shall such tax be included in the gross income of the obligee.

Obligor of
covenant
bond

Article 9. Deductions of Nonresidents

17301. In the case of a nonresident taxpayer the deductions allowed by Articles 6 and 7 of this chapter shall unless otherwise provided in this article be allowed only to the extent that they are connected with the income arising from sources within this State and taxable under this part to a nonresident taxpayer. The proper apportionment and allocation of the deductions with respect to sources of income within and without the State shall be determined under rules and regulations prescribed by the Franchise Tax Board.

Nonresident
deductions
Extent

17302. Taxes or licenses paid or accrued to this State or its political subdivisions which are deductible under Section 17204 are deductible by nonresidents even though not connected with income from sources within this State.

Taxes and
licenses

17303. In the case of a nonresident taxpayer the deductions for contributions and gifts shall be allowed only as to contributions or gifts to corporations or associations incorporated by or organized under the laws of this State or to the Vocational Rehabilitation Fund or to this State or any political subdivision thereof for exclusively public purposes.

Contribu-
tions to local
corporations

CHAPTER 4. CORPORATE DISTRIBUTIONS AND ADJUSTMENTS

Article 1. Effects on Recipients

Distributions
of property
Corporation
to stock-
holder

17321. Except as otherwise provided in this part, a distribution of property (as defined in Section 17383 (a)) made by a corporation to a shareholder with respect to its stock shall be treated in the manner provided in Section 17323.

Amount of
distribution

17322. (a) For purposes of Sections 17321 to 17324, inclusive, the amount of any distribution shall be the amount of money received, plus the fair market value of the other property received.

(b) The amount of any distribution determined under subsection (a) shall be reduced (but not below zero) by—

(1) The amount of any liability of the corporation assumed by the shareholder in connection with the distribution; and

(2) The amount of any liability to which the property received by the shareholder is subject immediately before, and immediately after, the distribution.

(c) For purposes of this section, fair market value shall be determined as of the date of the distribution.

17323. In the case of a distribution to which Section 17321 applies—

(a) That portion of the distribution which is a dividend (as defined in Section 17381) shall be included in gross income.

(b) That portion of the distribution which is not a dividend shall be applied against and reduce the adjusted basis of the stock.

(c) (1) Except as provided in paragraph (2), that portion of the distribution which is not a dividend, to the extent that it exceeds the adjusted basis of the stock, shall be treated as gain from the sale or exchange of property.

(2) That portion of the distribution which is not a dividend, to the extent that it exceeds the adjusted basis of the stock and to the extent that it is out of increase in value accrued before March 1, 1913, shall be exempt from tax.

Basis of
property

17324. The basis of property received in a distribution to which Section 17321 applies shall be the fair market value of such property.

Distributions
in redemption
of stock

17325. If a corporation redeems its stock (within the meaning of Section 17383 (b)), and if subsection 17326 (a), (b), (c) or (d) applies, such redemption shall be treated as a distribution in part or full payment in exchange for the stock.

Redemptions
treated as
exchanges

17326. (a) Section 17325 shall apply if the redemption is not essentially equivalent to a dividend.

(b) (1) Section 17325 shall apply if the distribution is substantially disproportionate with respect to the shareholder.

(2) This subsection shall not apply unless immediately after the redemption the shareholder owns less than 50 percent of the total combined voting power of all classes of stock entitled to vote.

(3) For purposes of this subsection, the distribution is substantially disproportionate if—

(A) The ratio which the voting stock of the corporation owned by the shareholder immediately after the redemption bears to all of the voting stock of the corporation at such time, is less than 80 percent of—

(B) The ratio which the voting stock of the corporation owned by the shareholder immediately before the redemption bears to all of the voting stock of the corporation at such time.

For purposes of this subsection, no distribution shall be treated as substantially disproportionate unless the shareholder's ownership of the common stock of the corporation (whether voting or nonvoting) after and before redemption also meets the 80 percent requirement of the preceding sentence. For purposes of the preceding sentence, if there is more than one class of common stock, the determinations shall be made by reference to fair market value.

(4) Subsection (b) shall not apply to any redemption made pursuant to a plan the purpose or effect of which is a series of redemptions resulting in a distribution which (in the aggregate) is not substantially disproportionate with respect to the shareholder.

(c) Section 17325 shall apply if the redemption is in complete redemption of all of the stock of the corporation owned by the shareholder.

(d) Section 17325 shall apply if the redemption is of stock issued by a railroad corporation (as defined in Section 77 (m) of the Bankruptcy Act, as amended) pursuant to a plan of reorganization under Section 77 of the Bankruptcy Act.

(e) In determining whether a redemption meets the requirements of subsection (a), the fact that such redemption fails to meet the requirements of subsection (b), (c), or (d) shall not be taken into account. If a redemption meets the requirements of subsection (c) and also the requirement of subsection (a), (b), or (d), then so much of Section 17327(b) as would (but for this sentence) apply in respect of the acquisition of an interest in the corporation within the 10-year period beginning on the date of the distribution shall not apply.

17327. (a) Except as provided in subsection (b), Section 17384 shall apply in determining the ownership of stock for purposes of Sections 17325 and 17326. Ownership
of stock

(b) (1) In the case of a distribution described in Section 17326(c), Section 17384(a) shall not apply if—

(A) Immediately after the distribution the distributee has no interest in the corporation (including an interest as officer, director, or employee), other than an interest as a creditor;

(B) The distributee does not acquire any such interest (other than stock acquired by bequest or inheritance) within 10 years from the date of such distribution; and

(C) The distributee, at such time and in such manner as the Franchise Tax Board by regulations prescribes, files an agreement to notify the Franchise Tax Board of any acquisition described in clause (B) and to retain such records as may be necessary for the application of this section.

If the distributee acquires such an interest in the corporation (other than by bequest or inheritance) within 10 years from the date of the distribution, then the periods of limitation provided in Sections 18648 and 18831 on the making of an assessment and the collection by levy or a proceeding in court shall, with respect to any deficiency (including interest and additions to the tax) resulting from such acquisition, include one year immediately following the date on which the distributee (in accordance with regulations prescribed by the Franchise Tax Board) notifies the Franchise Tax Board of such acquisition; and such assessment and collection may be made notwithstanding any provision of law or rule of law which otherwise would prevent such assessment and collection.

(2) Subsection (b) shall not apply if—

(A) Any portion of the stock redeemed was acquired, directly or indirectly, within the 10-year period ending on the date of the distribution by the distributee from a person the ownership of whose stock would (at the time of distribution) be attributable to the distributee under Section 17384(a); or

(B) Any person owns (at the time of the distribution) stock the ownership of which is attributable to the distributee under Section 17384(a) and such person acquired any stock in the corporation, directly or indirectly, from the distributee within the 10-year period ending on the date of the distribution, unless such stock so acquired from the distributee is redeemed in the same transaction.

The preceding sentence shall not apply if the acquisition (or, in the case of clause (B), the disposition) by the distributee did not have as one of its principal purposes the avoidance of income tax.

Corporate
redemption
of its stock

17328. Except as otherwise provided in this chapter, if a corporation redeems its stock (within the meaning of Section 17383(b)), and if Section 17327 does not apply, such redemption shall be treated as a distribution of property to which Sections 17321 to 17324, inclusive, apply.

Redemption
through use
of related
corporations

17332. (a) For purposes of Sections 17325 to 17328, inclusive, if—

(1) One or more persons are in control of each of two corporations; and

(2) In return for property, one of the corporations acquires stock in the other corporation from the person (or persons) so in control;

then (unless subsection (b) applies) such property shall be treated as a distribution in redemption of the stock of the corporation acquiring such stock. In any such case, the stock so acquired shall be treated as having been transferred by the person from whom acquired, and as having been

received by the corporation acquiring it, as a contribution to the capital of such corporation.

(b) For purposes of Sections 17325 to 17328, inclusive, if—

(1) In return for property, one corporation acquires from a shareholder of another corporation stock in such other corporation; and

(2) The issuing corporation controls the acquiring corporation, then such property shall be treated as a distribution in redemption of the stock of the issuing corporation.

17333. (a) In the case of any acquisition of stock to which Section 17332 applies, determinations as to whether the acquisition is, by reason of Section 17326, to be treated as a distribution in part or full payment in exchange for the stock shall be made by reference to the stock of the issuing corporation. In applying Section 17384 (relating to constructive ownership of stock) with respect to Section 17326 for purposes of this subsection, Section 17384 shall be applied without regard to the 50 percent limitation contained therein. Acquisition of stock

(b) (1) In the case of any acquisition of stock to which subsection (a) (and not subsection (b)) of Section 17332 applies, the determination of the amount which is a dividend shall be made solely by reference to the earnings and profits of the acquiring corporation.

(2) In the case of any acquisition of stock to which Section 17332 (b) applies, the determination of the amount which is a dividend shall be made as if the property were distributed by the acquiring corporation to the issuing corporation and immediately thereafter distributed by the issuing corporation.

17334. (a) For purposes of Sections 17332 and 17333, control means the ownership of stock possessing at least 50 percent of the total combined voting power of all classes of stock entitled to vote, or at least 50 percent of the total value of shares of all classes of stock. If a person (or persons) is in control (within the meaning of the preceding sentence) of a corporation which in turn owns at least 50 percent of the total combined voting power of all stock entitled to vote of another corporation, or owns at least 50 percent of the total value of the shares of all classes of stock of another corporation, then such person (or persons) shall be treated as in control of such other corporation. Control

(b) Section 17384 (relating to the constructive ownership of stock) shall apply for purposes of determining control under subsection (a). For purposes of the preceding sentence, Section 17384(b) (3) shall be applied without regard to the 50 percent limitation contained therein.

17335. Except as provided in Section 17336, gross income does not include the amount of any distribution made by a corporation to its shareholders, with respect to the stock of such corporation, in its stock or in rights to acquire its stock. Distribution of stock and stock rights

17336. Section 17335 shall not apply to a distribution by a corporation of its stock (or rights to acquire its stock), and

the distribution shall be treated as a distribution of property to which Sections 17321 to 17324, inclusive, apply—

(a) To the extent that the distribution is made in discharge of preference dividends for the taxable year of the corporation in which the distribution is made or for the preceding taxable year; or

(b) If the distribution is, at the election of any of the shareholders (whether exercised before or after the declaration thereof), payable either—

(1) In its stock (or in rights to acquire its stock); or

(2) In property.

Disposition
of "Sections
17337 to
17344
stock"

17337. If a shareholder sells or otherwise disposes of "Sections 17337 to 17344 stock" (as defined in Section 17339)—

(a) If such disposition is not a redemption (within the meaning of Section 17383(b))

(1) The amount realized shall be treated as gain from the sale of property which is not a capital asset. This subsection shall not apply to the extent that—

(A) The amount realized, exceeds

(B) Such stock's ratable share of the amount which would have been a dividend at the time of distribution if (in lieu of "Sections 17337 to 17344 stock") the corporation had distributed money in an amount equal to the fair market value of the stock at the time of distribution.

(2) Any excess of the amount realized over the sum of—

(A) The amount treated under paragraph (1) as gain from the sale of property which is not a capital asset; plus

(B) The adjusted basis of the stock;
shall be treated as gain from the sale of such stock.

(3) No loss shall be recognized.

(b) If the disposition is a redemption, the amount realized shall be treated as a distribution of property to which Sections 17321 to 17324, inclusive, apply.

Exceptions

17338. Section 17337 shall not apply—

(a) (1) If the disposition—

(A) Is not a redemption;

(B) Is not, directly or indirectly to a person the ownership of whose stock would (under Section 17384) be attributable to the shareholder; and

(C) Terminates the entire stock interest of the shareholder in the corporation (and for purposes of this clause, Section 17384 shall apply).

(2) If the disposition is a redemption and Section 17326 applies.

(b) If the "Sections 17337 to 17344 stock" is redeemed in a distribution in partial or complete liquidation to which Articles 4 and 5 (Sections 17401 and following) apply.

(c) To the extent that, under any provision of this part, gain or loss to the shareholder is not recognized with respect to the disposition of the "Sections 17337 to 17344 stock."

(d) If it is established to the satisfaction of the Franchise Tax Board—

(1) That the distribution, and the disposition or redemption, or

(2) In the case of a prior or simultaneous disposition (or redemption) of the stock with respect to which the "Sections 17337 to 17344 stock" disposed of (or redeemed) was issued, that the disposition (or redemption) of the "Sections 17337 to 17344 stock," was not in pursuance of a plan having as one of its principal purposes the avoidance of income tax.

17339. (a) For purposes of this chapter, the term "Sections 17337 to 17344 stock" means stock which meets the requirements of paragraph (1), (2), or (3) of this subsection. "Sections 17337 to 17344 stock"

(1) Stock (other than common stock issued with respect to common stock) which was distributed to the shareholder selling or otherwise disposing of such stock if, by reason of Section 17335, any part of such distribution was not includible in the gross income of the shareholder.

(2) Stock which is not common stock and—

(A) Which was received, by the shareholder selling or otherwise disposing of such stock, in pursuance of a plan of reorganization (within the meaning of Section 17461), or in a distribution or exchange to which Sections 17433 and 17434 (or so much of Sections 17435 to 17439, inclusive, as relates to Sections 17433 and 17434) applied; and

(B) With respect to the receipt of which gain or loss to the shareholder was to any extent not recognized by reason of Articles 7, 8, or 9 but only to the extent that either the effect of the transaction was substantially the same as the receipt of a stock dividend, or the stock was received in exchange for "Sections 17337 to 17344 stock."

For purposes of Sections 17337 to 17344, inclusive, a receipt of stock to which the foregoing provisions of this subsection apply shall be treated as a distribution of stock.

(3) Except as otherwise provided in paragraph (2), stock the basis of which (in the hands of the shareholder selling or otherwise disposing of such stock) is determined by reference to the basis (in the hands of such shareholder or any other person) of "Sections 17337 to 17344 stock."

(b) For purposes of Sections 17337 to 17344, inclusive, the term "Sections 17337 to 17344 stock" does not include any stock no part of the distribution of which would have been a dividend at the time of the distribution if money had been distributed in lieu of the stock.

17340. For purposes of Sections 17337 to 17344 inclusive—

(a) Stock rights shall be treated as stock; and

Stock rights

(b) Stock acquired through the exercise of stock rights shall be treated as stock distributed at the time of the distribution of the stock rights, to the extent of the fair market value of such rights at the time of the distribution.

17341. For purposes of Section 17340—

(a) If "Sections 17337 to 17344 stock" was issued with respect to common stock and later such "Sections 17337 to 17344 stock" is exchanged for common stock in the same cor- Convertible stock

poration (whether or not such exchange is pursuant to a conversion privilege contained in the "Sections 17337 to 17344 stock"), then (except as provided in subsection (b)), the common stock so received shall not be treated as "Sections 17337 to 17344 stock"; and

(b) Common stock with respect to which there is a privilege of converting into stock other than common stock (or into property), whether or not the conversion privilege is contained in such stock, shall not be treated as common stock.

Change in
terms or
conditions
of stock

17343. If a substantial change is made in the terms and conditions of any stock, then, for purposes of Sections 17337 to 17344, inclusive—

(a) The fair market value of such stock shall be the fair market value at the time of the distribution or at the time of such change, whichever such value is higher;

(b) Such stock's ratable share of the amount which would have been a dividend if money had been distributed in lieu of stock shall be determined as of the time of distribution or as of the time of such change, whichever such ratable share is higher; and

(c) Section 17339(b) shall not apply unless the stock meets the requirements of such section both at the time of such distribution and at the time of such change.

Exceptions

17344. If stock—

(a) Was received in a distribution or reorganization to which the Personal Income Tax Law of 1954 (or the corresponding provisions of prior law) applied;

(b) Such stock would have been "Sections 17337 to 17344 stock" if this part applied to such distribution or reorganization; and

(c) Such stock is disposed of or redeemed on or after December 31, 1954, then the foregoing subsections of Sections 17337 to 17344, inclusive, shall not apply in respect of such disposition or redemption. The extent to which such disposition or redemption shall be treated as a dividend shall be determined as if the Personal Income Tax Law of 1954 (as modified by the provisions of this part other than Sections 17337 to 17344, inclusive) continued to apply in respect of such disposition or redemption.

Basis of
stock

17345. If a shareholder in a corporation receives its stock or rights to acquire its stock (referred to in this section as "new stock") in a distribution to which Section 17335 applies, then the basis of such new stock and of the stock with respect to which it is distributed (referred to in this section as "old stock"), respectively, shall, in the shareholder's hands, be determined by allocating between the old stock and the new stock the adjusted basis of the old stock. Such allocation shall be made under regulations prescribed by the Franchise Tax Board.

17346. (a) If—

Same
Stock rights

(1) A corporation distributes rights to acquire its stock to a shareholder in a distribution to which Section 17335 applies; and

(2) The fair market value of such rights at the time of the distribution is less than 15 percent of the fair market value of the old stock at such time;

then Section 17345 shall not apply and the basis of such rights shall be zero, unless the taxpayer elects under subsection (b) of this section to determine the basis of the old stock and of the stock rights under the method of allocation provided in Section 17345.

(b) The election referred to in subsection (a) shall be made in the return filed within the time prescribed by law (including extensions thereof) for the taxable year in which such rights were received. Such election shall be made in such manner as the Franchise Tax Board may by regulations prescribe, and shall be irrevocable when made.

17347. If a stock right was acquired prior to January 1, 1935, and it constituted income within the purview of the Sixteenth Amendment to the Constitution of the United States, the basis of the stock in respect of which the rights were declared shall not be affected and the basis of the right shall be its fair market value as of the date of its acquisition.

Same
Stock right
constituting
income ac-
quired prior
to January
1, 1935

17348. Where the shareholder acquired the right to acquire stock in the corporation in a taxable year beginning before January 1, 1941, and sold the right, and there was included in the gross income for the year of sale the entire amount of the proceeds of the sale, then if before July 19, 1941, the taxpayer has not asserted (by claim for a refund or credit or otherwise) that any part of the proceeds of the sale of the right should be excluded from gross income for the year of its sale, the basis of the stock shall be determined without regard to Sections 17345 and 17347, and no part of the proceeds of the sale of the right shall ever be excluded from the gross income for the year of the sale.

Same
Allocation
in case of
stock rights

Article 2. Effects on Earnings and Profits

17361. (a) Except as otherwise provided in this section and Sections 17362 to 17364, inclusive, on the distribution of property by a corporation with respect to its stock, the earnings and profits of the corporation (to the extent thereof) shall be decreased by the sum of—

Effects on
earnings
and profits

(1) The amount of money,

(2) The principal amount of the obligations of such corporation, and

(3) The adjusted basis of the other property, so distributed.

(b) (1) On the distribution by a corporation, with respect to its stock, of inventory assets (as defined in paragraph (2) (A)) the fair market value of which exceeds the adjusted basis thereof, the earnings and profits of the corporation—

(A) Shall be increased by the amount of such excess; and
(B) Shall be decreased by whichever of the following is the lessor:

(i) The fair market value of the inventory assets distributed, or

(ii) The earnings and profits (as increased under subparagraph (A)).

"Inventory assets"

2 (A) For purposes of paragraph (1), the term "inventory assets" means—

(i) Stock in trade of the corporation, or other property of a kind which would properly be included in the inventory of the corporation if on hand at the close of the taxable year;

(ii) Property held by the corporation primarily for sale to customers in the ordinary course of its trade or business; and

(iii) Unrealized receivables or fees, except receivables from sale or exchanges of assets other than assets described in this subparagraph.

"Unrealized receivables or fees"

(B) For purposes of subparagraph (A)(iii), the term "unrealized receivables or fees" means, to the extent not previously includible in income under the method of accounting used by the corporation, any rights (contractual or otherwise) to payment for—

(i) Goods delivered, or to be delivered, to the extent that the proceeds therefrom would be treated as amounts received from the sale or exchange of property other than a capital asset, or

(ii) Services rendered or to be rendered.

(c) In making the adjustments to the earnings and profits of a corporation under subsection (a) or (b), proper adjustment shall be made for—

(1) The amount of any liability to which the property distributed is subject,

(2) The amount of any liability of the corporation assumed by a shareholder in connection with the distribution, and

(3) Any gain to the corporation recognized under Sections 24482 or 24483 of the Bank and Corporation Tax Law.

(d) The distribution to a distributee by or on behalf of a corporation of its stock or securities, of stock or securities in another corporation, or of property, in a distribution to which this part applies, shall not be considered a distribution of the earnings and profits of any corporation—

(1) If no gain to such distributee from the receipt of such stock or securities, or property, was recognized under this part; or

(2) If the distribution was not subject to tax in the hands of such distributee by reason of Section 17335(a).

(b) In the case of a distribution of stock or securities, or property, to which Section 17162 of the Personal Income Tax Law of 1954 (or the corresponding provision of prior law) applied, the effect on earnings and profits of such distribution shall be determined under such Section 17162, or the corresponding provision of prior law, as the case may be.

(c) For purposes of this section, the term "stock or securities" includes rights to acquire stock or securities.

17362. In the case of amounts distributed in partial liquidation (whether before, on, or after December 31, 1954) or in a redemption to which Section 17325 applies, the part of such distribution which is properly chargeable to capital account shall not be treated as a distribution of earnings and profits.

Partial
liquidation
or certain
redemptions

17363. (a) The gain or loss realized from the sale or other disposition (after February 28, 1913) of property by a corporation—

Effect on
earnings and
profits of
gain or loss

(1) For the purpose of the computation of the earnings and profits of the corporation shall (except as provided in paragraph (2)) be determined by using as the adjusted basis the adjusted basis (under the law applicable to the year in which the sale or other disposition was made) for determining gain, except that no regard shall be had to the value of the property as of March 1, 1913; but

(2) For purposes of the computation of the earnings and profits of the corporation for any period beginning after February 28, 1913, shall be determined by using as the adjusted basis the adjusted basis (under the law applicable to the year in which the sale or other disposition was made) for determining gain.

Gain or loss so realized shall increase or decrease the earnings and profits to, but not beyond, the extent to which such a realized gain or loss was recognized in computing taxable income under the law applicable to the year in which such sale or disposition was made. Where, in determining the adjusted basis used in computing such realized gain or loss, the adjustment to the basis differs from the adjustment proper for the purpose of determining earnings and profits, then the latter adjustment shall be used in determining the increase or decrease above provided. For purposes of this section, a loss with respect to which a deduction is disallowed under Section 18141 (relating to wash sales of stock or securities), or the corresponding provision of prior law, shall not be deemed to be recognized.

(b) Where a corporation receives (after February 28, 1913) a distribution from a second corporation which (under the law applicable to the year in which the distribution was made) was not a taxable dividend to the shareholders of the second corporation, the amount of such distribution shall not increase the earnings and profits of the first corporation in the following cases:

Effect on
earnings and
profits of
receipt of
tax-free
distributions

(1) No such increase shall be made in respect of the part of such distribution which (under such law) is directly applied in reduction of the basis of the stock in respect of which the distribution was made; and

(2) No such increase shall be made if (under such law) the distribution causes the basis of the stock in respect of which the distribution was made to be allocated between

such stock and the property received (or such basis would, but for Section 17346, be so allocated).

Earnings and
profits
Increase in
value accrued
before
March 1,
1913

17364. (a) If any increase or decrease in the earnings and profits for any period beginning after February 28, 1913, with respect to any matter would be different had the adjusted basis of the property involved been determined without regard to its March 1, 1913, value, then, except as provided in subsection (b), an increase (properly reflecting such difference) shall be made in that part of the earnings and profits consisting of increase in value of property accrued before March 1, 1913.

(b) If the application of Section 17363 to a sale or other disposition after February 28, 1913, results in a loss which is to be applied in decrease of earnings and profits for any period beginning after February 28, 1913, then, notwithstanding Section 17363 and in lieu of the rule provided in subsection (a), the amount of such loss so to be applied shall be reduced by the amount, if any, by which the adjusted basis of the property used in determining the loss exceeds the adjusted basis computed without regard to the value of the property on March 1, 1913, and if such amount so applied in reduction of the decrease exceeds such loss, the excess over such loss shall increase that part of the earnings and profits consisting of increase in value of property accrued before March 1, 1913.

Effect of
repeal

17365. The repeal in 1937 of subdivision (o) of Section 2 and Section 34 of the Personal Income Tax Act of 1935 shall not be construed to sanction double taxation of income.

Allocation
of earnings,
etc., in cor-
porate re-
organization

17366. In the case of a distribution or exchange to which Sections 17433 and 17434 (or so much of Sections 17435 to 17439, inclusive, as relates to Sections 17433 and 17434) applies, proper allocation with respect to the earnings and profits of the distributing corporation and the controlled corporation (or corporations) shall be made under regulations prescribed by the Franchise Tax Board.

Article 3. Definitions; Constructive Ownership of Stock

"Dividend"

17381. For purposes of this part, the term "dividend" means any distribution of property made by a corporation to its shareholders—

(a) Out of its earnings and profits accumulated after February 28, 1913; or

(b) Out of its earnings and profits of the taxable year (computed as of the close of the taxable year without diminution by reason of any distributions made during the taxable year), without regard to the amount of the earnings and profits at the time the distribution was made.

Except as otherwise provided in this part, every distribution is made out of earnings and profits to the extent thereof, and from the most recently accumulated earnings and profits.

To the extent that any distribution is, under any provision of this chapter, treated as a distribution of property to which Sections 17321 to 17324 inclusive apply, such distribution shall be treated as a distribution of property for purposes of this section.

17383. (a) For purposes of this article, the term "property" means money, securities, and any other property; except that such term does not include stock in the corporation making the distribution (or rights to acquire such stock). "Property"

(b) For purposes of this article, stock shall be treated as redeemed by a corporation if the corporation acquires its stock from a shareholder in exchange for property, whether or not the stock so acquired is canceled, retired, or held as treasury stock.

17384. For purposes of those provisions of this chapter to which the rules contained in this section are expressly made applicable— Constructive ownership of stock
Members of family

(a) (1) An individual shall be considered as owning the stock owned, directly or indirectly, by or for—

(A) His spouse (other than a spouse who is legally separated from the individual under a decree of divorce or separate maintenance); and

(B) His children, grandchildren, and parents.

(2) For purposes of subparagraph (1)(B), a legally adopted child of an individual shall be treated as a child of such individual by blood.

(b) (1) Stock owned, directly or indirectly, by or for a partnership or estate shall be considered as being owned proportionately by its partners or beneficiaries. Stock owned, directly or indirectly, by or for a partner or a beneficiary of an estate shall be considered as being owned by the partnership or estate. Partnerships or estates

(2) Stock owned, directly or indirectly, by or for a trust shall be considered as being owned by its beneficiaries in proportion to the actuarial interest of such beneficiaries in such trust. Stock owned, directly or indirectly, by or for a beneficiary of a trust shall be considered as being owned by the trust, unless such beneficiary's interest in the trust is a remote contingent interest. For purposes of the preceding sentence, a contingent interest of a beneficiary in a trust shall be considered remote if, under the maximum exercise of discretion by the trustee in favor of such beneficiary, the value of such interest, computed actuarially, is 5 percent or less of the value of the trust property. Stock owned, directly or indirectly, by or for any portion of a trust of which a person is considered the owner under article 5 of chapter 9 (relating to grantors and others treated as substantial owners) shall be considered as being owned by such person; and such trust shall be treated as owning the stock owned, directly or indirectly, by or for that person. This subsection shall not apply with respect to any employees' trust described in Section 17501 which is exempt from tax under Section 17631. Trusts

Corporations (3) If 50 percent or more in value of the stock in a corporation is owned, directly or indirectly, by or for any person, then—

(A) Such person shall be considered as owning the stock owned, directly or indirectly, by or for that corporation, in that proportion which the value of the stock which such person so owns bears to the value of all the stock in such corporation; and

(B) Such corporation shall be considered as owning the stock owned, directly or indirectly, by or for that person.

(c) If any person has an option to acquire stock, such stock shall be considered as owned by such person. For purposes of this subsection an option to acquire such an option, and each one of a series of such options, shall be considered as an option to acquire such stock.

(d) (1) Except as provided in paragraph (2), stock constructively owned by a person by reason of the application of subsection (a), (b), or (c) shall, for purposes of applying subsection (a), (b), or (c), be treated as actually owned by such person.

(2) Stock constructively owned by an individual by reason of the application of subsection (a) shall not be treated as owned by him for purposes of again applying subsection (a) in order to make another the constructive owner of such stock.

(3) For purposes of this subsection, if stock may be considered as owned by an individual under subsection (a) or (c), it shall be considered as owned by him under subsection (c).

Article 4. Effects of Corporate Liquidations on Recipients

Effect of
corporate
liquidations

17401. (a) (1) Amounts distributed in complete liquidation of a corporation shall be treated as in full payment in exchange for the stock.

(2) Amounts distributed in partial liquidation of a corporation (as defined in Section 17421) shall be treated as in part or full payment in exchange for the stock.

(b) Sections 17321 to 17324, inclusive, (relating to effects on shareholder of distributions of property) shall not apply to any distribution of property in partial or complete liquidation.

(1) For general rule for determination of the amount of gain or loss to the distributee, see Section 18031.

(2) For general rule for determination of the amount of gain or loss recognized, see Section 18032.

Election as
to recognition
of gain
in certain
liquidations

17402. (a) In the case of property distributed in complete liquidation of a corporation, if—

(1) The liquidation is made in pursuance of a plan of liquidation adopted after December 31, 1950, whether the taxable year of the corporation began on, before, or after January 1, 1951; and

(2) The distribution is in complete cancellation or redemption of all the stock, and the transfer of all the property under the liquidation occurs within some one calendar month in 1951,

1952, or 1953—then in the case of each qualified electing shareholder (as defined in subsection (b)) gain upon the shares owned by him at the time of the adoption of the plan of liquidation shall be recognized only to the extent provided in subsection (d).

(b) For purposes of this section, the term “qualified electing shareholder” means a shareholder (other than an excluded corporation) of any class of stock (whether or not entitled to vote on the adoption of the plan of liquidation) who is a shareholder at the time of the adoption of such plan, and whose written election to have the benefits of subsection (a) has been made and filed in accordance with subsection (c), but in the case of a shareholder other than a corporation, only if written elections have been so filed by shareholders (other than corporations) who at the time of the adoption of the plan of liquidation are owners of stock possessing at least 80 percent of the total combined voting power (exclusive of voting power possessed by stock owned by corporations) of all classes of stock entitled to vote on the adoption of such plan of liquidation.

“Qualified electing shareholder”

Written election

(c) The written elections referred to in subsection (b) must be made and filed in such manner as to be not in contravention of regulations prescribed by the Franchise Tax Board. The filing must be within 30 days after the date of the adoption of the plan of liquidation.

(d) In the case of a qualified electing shareholder—

(1) There shall be recognized, and treated as a dividend, so much of the gain as is not in excess of his ratable share of the earnings and profits of the corporation accumulated after February 28, 1913, such earnings and profits to be determined as of the close of the month in which the transfer in liquidation occurred under subsection (a)(2), but without diminution by reason of distributions made during such month; but by including in the computation thereof all amounts accrued up to the date on which the transfer of all the property under the liquidation is completed; and

Recognition as dividend

(2) There shall be recognized, and treated as a capital gain so much of the remainder of the gain as is not in excess of the amount by which the value of that portion of the assets received by him which consists of money, or of stock or securities acquired by the corporation after August 15, 1950, exceeds his ratable share of such earnings and profits.

Recognition as capital gain

17403. (a) If property is received in a distribution in partial or complete liquidation (other than a distribution to which Section 17402 applies), and if gain or loss is recognized on receipt of such property, then the basis of the property in the hands of the distributee shall be the fair market value of such property at the time of the distribution.

Basis of property

(b) If—

(1) Property was acquired by a shareholder in the liquidation of a corporation in cancellation or redemption of stock; and

(2) With respect to such acquisition—

(A) Gain was realized, but

(B) As the result of an election made by the shareholder under Section 17402, the extent to which gain was recognized was determined under Section 17402, then the basis shall be the same as the basis of such stock canceled or redeemed in the liquidation, decreased in the amount of any money received by the shareholder, and increased in the amount of gain recognized to him.

Article 5. Collapsible Corporations

17411. Gain from—

Collapsible
corporation
Treatment
of gain to
shareholders

(a) The sale or exchange of stock of a collapsible corporation;

(b) A distribution in partial or complete liquidation of a collapsible corporation, which distribution is treated under this part as in part or full payment in exchange for stock; and

(c) A distribution made by a collapsible corporation which, under Section 17323(c)(1), is treated, to the extent it exceeds the basis of the stock, in the same manner as a gain from the sale or exchange of property, to the extent that it would be considered (but for the provisions of this article) as gain from the sale or exchange of a capital asset shall, except as provided in Section 17414, be considered as gain from the sale or exchange of property which is not a capital asset.

“Collapsible
corporation”

17412. (a) For purposes of this article, the term “collapsible corporation” means a corporation formed or availed of principally for the manufacture, construction, or production of property, for the purchase of property which (in the hands of the corporation) is property described in subsection (c), or for the holding of stock in a corporation so formed or availed of, with a view to—

(1) The sale or exchange of stock by its shareholders (whether in liquidation or otherwise), or a distribution to its shareholders, before the realization by the corporation manufacturing, constructing, producing, or purchasing the property of a substantial part of the taxable income to be derived from such property; and

(2) The realization by such shareholders of gain attributable to such property.

(b) For purposes of subsection (a), a corporation shall be deemed to have manufactured, constructed, produced, or purchased property, if—

(1) It engaged in the manufacture, construction, or production of such property to any extent;

(2) It holds property having a basis determined, in whole or in part, by reference to the cost of such property in the hands of a person who manufactured, constructed, produced, or purchased the property; or

(3) It holds property having a basis determined, in whole or in part, by reference to the cost of property manufactured, constructed, produced, or purchased by the corporation.

(c) For purposes of this article, the term "Section 17412(c) assets" means property held for a period of less than three years which is—

(1) Stock in trade of the corporation, or other property of a kind which would properly be included in the inventory of the corporation if on hand at the close of the taxable year;

(2) Property held by the corporation primarily for sale to customers in the ordinary course of its trade or business;

(3) Unrealized receivables or fees, except receivables from sales of property other than property described in this paragraph; or

(4) Property described in Section 18182 (without regard to any holding period therein provided), except such property which is or has been used in connection with the manufacture, construction, production, or sale of property described in paragraph (1) or (2).

In determining whether the three-year holding period specified in this subsection has been satisfied, Sections 18163 to 18171, inclusive, shall apply, but no such period shall be deemed to begin before the completion of the manufacture, construction, production, or purchase.

(d) For purposes of paragraph (c)(3), the term "unrealized receivables or fees" means, to the extent not previously includible in income under the method of accounting used by the corporation, any rights (contractual or otherwise) to payment for—

"Unrealized
receivables
or fees"

(1) Goods delivered, or to be delivered, to the extent the proceeds therefrom would be treated as amounts received from the sale or exchange of property other than a capital asset; or

(2) Services rendered or to be rendered.

17413. (a) For purposes of Sections 17411 to 17414, inclusive, a corporation shall, unless shown to the contrary, be deemed to be a collapsible corporation if (at the time of the sale or exchange, or the distribution, described in Section 17411) the fair market value of its Section 17412(c) assets (as defined in Section 17412(c)) is—

When
corporation
deemed
collapsible

(1) 50 percent or more of the fair market value of its total assets; and

(2) 120 percent or more of the adjusted basis of such Section 17412(c) assets.

Absence of the conditions described in paragraphs (1) and (2) shall not give rise to a presumption that the corporation was not a collapsible corporation.

(b) In determining the fair market value of the total assets of a corporation for purposes of paragraph (a)(1) there shall not be taken into account—

(1) Cash;

(2) Obligations which are capital assets in the hands of the corporation; and

(3) Stock in any other corporation.

Limitations

17414. In the case of gain realized by a shareholder with respect to his stock in a collapsible corporation, Sections 17411 to 17413, inclusive, shall not apply—

(a) Unless, at any time after the commencement of the manufacture, construction, or production of the property, or at the time of the purchase of the property described in Section 17412(c) or at any time thereafter, such shareholder (1) owned (or was considered as owning) more than 5 percent in value of the outstanding stock of the corporation, or (2) owned stock which was considered as owned at such time by another shareholder who then owned (or was considered as owning) more than 5 percent in value of the outstanding stock of the corporation;

(b) To the gain recognized during a taxable year, unless more than 70 percent of such gain is attributable to the property so manufactured, constructed, produced, or purchased; and

(c) To gain realized after the expiration of three years following the completion of such manufacture, construction, production, or purchase.

For purposes of subsection (a), the ownership of stock shall be determined in accordance with the rules prescribed in Section 17289; except that, in addition to the persons prescribed by subsection (d) of that section, the family of an individual shall include the spouses of that individual's brothers and sisters (whether by the whole or half blood) and the spouses of that individual's lineal descendants.

Article 6. Partial Liquidation Defined

Partial
liquidation
defined

17421. (a) For purposes of this chapter, a distribution shall be treated as in partial liquidation of a corporation if—

(1) The distribution is one of a series of distributions in redemption of all of the stock of the corporation pursuant to a plan; or

(2) The distribution is not essentially equivalent to a dividend, is in redemption of a part of the stock of the corporation pursuant to a plan, and occurs within the taxable year in which the plan is adopted or within the succeeding taxable year, including (but not limited to) a distribution which meets the requirements of subsection (b).

(b) A distribution shall be treated as a distribution described in subsection (a)(2) if the requirements of paragraphs (1) and (2) of this subsection are met.

(1) The distribution is attributable to the corporation's ceasing to conduct, or consists of the assets of, a trade or business which has been actively conducted throughout the five-year period immediately before the distribution, which trade or business was not acquired by the corporation within such period in a transaction in which gain or loss was recognized in whole or in part.

(2) Immediately after the distribution the liquidating corporation is actively engaged in the conduct of a trade or business, which trade or business was actively conducted throughout the five-year period ending on the date of the distribution and was not acquired by the corporation within such period in a transaction in which gain or loss was recognized in whole or in part.

Whether or not a distribution meets the requirements of paragraphs (1) and (2) of this subsection shall be determined without regard to whether or not the distribution is pro rata with respect to all of the shareholders of the corporation.

(c) The fact that, with respect to a shareholder, a distribution qualifies under Section 17325 (relating to redemptions treated as distributions in part or full payment in exchange for stock) by reason of Section 17326 shall not be taken into account in determining whether the distribution, with respect to such shareholder, is also a distribution in partial liquidation of the corporation.

Article 7. Corporate Organizations and Reorganizations

17431. (a) No gain or loss shall be recognized if property is transferred to a corporation by one or more persons solely in exchange for stock or securities in such corporation and immediately after the exchange such person or persons are in control (as defined in Section 17463) of the corporation. For purposes of this section, stock or securities issued for services shall not be considered as issued in return for property.

Corporate
organizations
and reor-
ganizations
Transfer to
corporation
controlled by
transferor

(b) If subsection (a) would apply to an exchange but for the fact that there is received, in addition to the stock or securities permitted to be received under subsection (a), other property or money, then—

(1) Gain (if any) to such recipient shall be recognized, but not in excess of—

(A) The amount of money received; plus

(B) The fair market value of such other property received; and

(2) No loss to such recipient shall be recognized.

(c) In determining control, for purposes of this section, the fact that any corporate transferor distributes part or all of the stock which it receives in the exchange to its shareholders shall not be taken into account.

(d) (1) For special rule where another party to the exchange assumes a liability, or acquires property subject to a liability, see Section 17440.

(2) For the basis of stock, securities, or property received in an exchange to which this section applies, see Sections 17441 to 17444.

(3) For special rule in the case of an exchange described in this section but which has the effect of the payment of com-

pensation by the corporation or by a transferor, see Section 17071.

Exchanges
of stock and
securities in
certain reor-
ganizations

17432. (a) (1) No gain or loss shall be recognized if stock or securities in a corporation a party to a reorganization are, in pursuance of the plan of reorganization, exchanged solely for stock or securities in such corporation or in another corporation a party to the reorganization.

(2) Paragraph (1) shall not apply if—

(A) The principal amount of any such securities received exceeds the principal amount of any such securities surrendered, or

(B) Any such securities are received and no such securities are surrendered.

(3) For treatment of the exchange if any property is received which is not permitted to be received under this subsection (including an excess principal amount of securities received over securities surrendered), see Sections 17435 to 17439.

(b) (1) Subsection (a) shall not apply to an exchange in pursuance of a plan of reorganization within the meaning of Section 17461(a)(4), unless,

(A) The corporation to which the assets are transferred acquires substantially all of the assets of the transferor of such assets; and

(B) The stock, securities, and other properties received by such transferor, as well as the other properties of such transferor, are distributed in pursuance of the plan of reorganization.

(2) For special rules for certain exchanges in pursuance of plans of reorganization within the meaning of Section 17461(a)(4), see Sections 17433 and 17434.

Distribution
of stock of
controlled
corporation

17434. If there is distributed, in pursuance of a plan or reorganization, to a shareholder of a corporation which is a party to the reorganization, stock (other than preferred stock) in another corporation which is a party to the reorganization, without the surrender by such shareholder of stock, no gain to the distributee from the receipt of such stock shall be recognized unless it appears that (a) any corporation which is a party to such reorganization was not intended to continue the active conduct of a trade or business after such reorganization, or (b) the corporation whose stock is distributed was used principally as a device for the distribution of earnings and profits to the shareholders of any corporation a party to the reorganization.

Receipt of
additional
considera-
tion: Gain on
exchanges

17435. (a) If—

(1) Sections 17432 and 17434 would apply to an exchange but for the fact that—

(2) The property received in the exchange consists, not only of property permitted by Sections 17432 and 17434 to be received without the recognition of gain, but also of other property or money,

then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property.

(b) If an exchange is described in subsection (a) but has the effect of the distribution of a dividend, then there shall be treated as a dividend to each distributee such an amount of the gain recognized under subsection (a) as is not in excess of his ratable share of the undistributed earnings and profits of the corporation accumulated after February 28, 1913. The remainder, if any, of the gain recognized under subsection (a) shall be treated as gain from the exchange of property.

17436. If—

(a) Sections 17433 and 17434 would apply to a distribution but for the fact that—

Same.
In certain
distributions

(b) The property received in the distribution consists, not only of property permitted by Sections 17433 and 17434 to be received without the recognition of gain, but also of other property or money, then an amount equal to the sum of such money and the fair market value of such other property shall be treated as a distribution of property to which Sections 17321 to 17324, inclusive, apply.

17437. If—

Same. Loss

(a) Section 17432 would apply to an exchange, or Section 17434 applies to an exchange or distribution, but for the fact that

(b) The property received in the exchange or distribution consists not only of property permitted by Sections 17432 and 17434 to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange or distribution shall be recognized.

17438. For purposes of Sections 17435 to 17439, inclusive,

(a) Except as provided in subsection (b), the term "other property" includes securities.

Same.
Securities
as other
property

(b) (1) The term "other property" does not include securities to the extent that, under Sections 17432 and 17434, such securities would be permitted to be received without the recognition of gain.

(2) If—

(A) In an exchange described in Section 17432, securities of a corporation, a party to the reorganization, are surrendered and securities of any corporation, a party to the reorganization, are received, and

(B) The principal amount of such securities received exceeds the principal amount of such securities surrendered,

then, with respect to such securities received, the term "other property" means only the fair market value of such excess. For purposes of this paragraph and paragraph (3), if no securities are surrendered, the excess shall be the entire principal amount of the securities received.

(3) If, in an exchange or distribution described in Section 17434, the principal amount of the securities in the controlled corporation which are received exceeds the principal amount of the securities in the distributing corporation which are surrendered, then, with respect to such securities received, the term "other property" means only the fair market value of such excess.

Same.
Exchanges
for "Sec-
tions 17337
to 17344
stock"

17439. Notwithstanding any other provision of Sections 17435 to 17438, inclusive, to the extent that any of the other property (or money) is received in exchange for "Sections 17337 to 17344 stock," an amount equal to the fair market value of such other property (or the amount of such money) shall be treated as a distribution of property to which Sections 17321 to 17324, inclusive, apply.

Assumption
of liability

17440. (a) Except as provided in subsections (b) and (c), if—

(1) The taxpayer received property which would be permitted to be received under Sections 17431 and 17481 to 17484, inclusive, without the recognition of gain if it were the sole consideration, and

(2) As part of the consideration, another party to the exchange assumes a liability of the taxpayer, or acquires from the taxpayer property subject to a liability, **then** such assumption or acquisition shall not be treated as money or other property, and shall not prevent the exchange from being within the provisions of Sections 17431 and 17481 to 17484, inclusive, as the case may be.

(b) (1) If, taking into consideration the nature of the liability and the circumstances in the light of which the arrangement for the assumption or acquisition was made, it appears that the principal purpose of the taxpayer with respect to the assumption or acquisition described in subsection (a)—

(A) Was a purpose to avoid income tax on the exchange, or

(B) If not such purpose, was not a bona fide business purpose,

then such assumption or acquisition (in the total amount of the liability assumed or acquired pursuant to such exchange) shall, for purposes of Sections 17431 and 17481 to 17484, inclusive (as the case may be), be considered as money received by the taxpayer on the exchange.

(2) In any suit or proceeding where the burden is on the taxpayer to prove such assumption or acquisition is not to be treated as money received by the taxpayer, such burden shall not be considered as sustained unless the taxpayer sustains such burden by the clear preponderance of the evidence.

(c) (1) In the case of an exchange to which Section 17431 applies, if the sum of the amount of the liabilities assumed, plus the amount of the liabilities to which the property is subject, exceeds the total of the adjusted basis of the property transferred pursuant to such exchange, then such excess shall be considered as a gain from the sale or exchange of a capital

asset or of property which is not a capital asset, as the case may be.

(2) Paragraph (1) shall not apply to any exchange to which—

(A) Subsection (b) (1) of this section applies, or

(B) Sections 17481 to 17484, inclusive, apply.

17441. In the case of an exchange to which Section 17431, 17432, 17433, 17434, 17435 to 17439, inclusive, or 17482 applies— Basis to distributees

(a) The basis of the property permitted to be received under such sections without the recognition of gain or loss shall be the same as that of the property exchanged—

(1) Decreased by—

(A) The fair market value of any other property (except money) received by the taxpayer, and

(B) The amount of any money received by the taxpayer, and (2) increased by—

(A) The amount which was treated as a dividend, and

(B) The amount of gain to the taxpayer which was recognized on such exchange (not including any portion of such gain which was treated as a dividend).

(b) The basis of any other property (except money) received by the taxpayer shall be its fair market value.

17442. (a) Under regulations prescribed by the Franchise Tax Board, the basis determined under Section 17441 (a) shall be allocated among the properties permitted to be received without the recognition of gain or loss. Allocation of basis

(b) In the case of an exchange to which Sections 17433 and 17434 (or so much of Sections 17435 to 17439, inclusive, as relate to Sections 17433 and 17434) apply, then in making the allocation under subsection (a) of this section, there shall be taken into account not only the property so permitted to be received without the recognition of gain or loss, but also the stock or securities (if any) of the distributing corporation which are retained, and the allocation of basis shall be made among all such properties.

17443. For purposes of Sections 17441 to 17444, inclusive, a distribution to which Sections 17433 and 17434 (or so much of Sections 17435 to 17439, inclusive, as relate to Sections 17433 and 17434) apply shall be treated as an exchange, and for such purposes the stock and securities of the distributing corporation which are retained shall be treated as surrendered, and received back, in the exchange. Certain distributions treated as exchange

17444. Where, as part of the consideration to the taxpayer, another party to the exchange assumed a liability of the taxpayer or acquired from the taxpayer property subject to a liability, such assumption or acquisition (in the amount of the liability) shall, for purposes of Sections 17441 to 17443, inclusive, be treated as money received by the taxpayer on the exchange. Assumption, etc., of liability re exchange

17445. In determining the extent to which gain shall be recognized in the case of any of the exchanges described in Foreign corporations

Sections 17431 to 17439, inclusive, a foreign corporation shall not be considered as a corporation unless, before such exchange, it has been established to the satisfaction of the Franchise Tax Board that such exchange is not in pursuance of a plan having as one of its principal purposes the avoidance of income taxes. For purposes of this section, any distribution described in Sections 17433 and 17434 (or so much of Sections 17435 to 17439, inclusive, as relates to Sections 17433 and 17434) shall be treated as an exchange whether or not it is an exchange.

Article 8. Definitions Relating to Corporate Reorganizations

“Reorganizations”

17461. (a) For purposes of Articles 1 to 7, inclusive, of this Chapter, the term “reorganization” means—

- (1) A statutory merger or consolidation;
 - (2) The acquisition by one corporation, in exchange solely for all or a part of its voting stock, of stock of another corporation if, immediately after the acquisition, the acquiring corporation has control of such other corporation (whether or not such acquiring corporation had control immediately before the acquisition);
 - (3) The acquisition by one corporation, in exchange solely for all or a part of its voting stock (or in exchange solely for all or a part of the voting stock of a corporation which is in control of the acquiring corporation), of substantially all of the properties of another corporation, but in determining whether the exchange is solely for stock the assumption by the acquiring corporation of a liability of the other, or the fact that property acquired is subject to a liability, shall be disregarded;
 - (4) A transfer by a corporation of all or a part of its assets to another corporation if immediately after the transfer the transferor, or one or more of its shareholders (including persons who were shareholders immediately before the transfer), or any combination thereof, is in control of the corporation to which the assets are transferred; but only if, in pursuance of the plan, stock or securities of the corporation to which the assets are transferred are distributed in a transaction which qualifies under Sections 17432 to 17439, inclusive;
 - (5) A recapitalization; or
 - (6) A mere change in identity, form, or place of organization, however effected.
- (b) (1) If a transaction is described in both paragraph (a)(3) and paragraph (a)(4), then, for purposes of this chapter, such transactions shall be treated as described only in paragraph (a)(4).
- (2) If—
- (A) One corporation acquires substantially all of the properties of another corporation,
 - (B) The acquisition would qualify under paragraph (a)(3) but for the fact that the acquiring corporation

exchanges money or other property in addition to voting stock, and

(C) The acquiring corporation acquires, solely for voting stock described in paragraph (a)(3), property of the other corporation having a fair market value which is at least 80 percent of the fair market value of all of the property of the other corporation, then such acquisition shall (subject to paragraph (1) of this subsection) be treated as qualifying under paragraph (a)(3). Solely for the purpose of determining whether clause (C) of the preceding sentence applies, the amount of any liability assumed by the acquiring corporation, and the amount of any liability to which any property acquired by the acquiring corporation is subject, shall be treated as money paid for the property.

(3) A transaction otherwise qualifying under paragraph (a)(1) or paragraph (a)(3) shall not be disqualified by reason of the fact that part or all of the assets which were acquired in the transaction are transferred to a corporation controlled by the corporation acquiring such assets.

17462. For purposes of this article, the term "a party to a reorganization" includes—

"A party to a reorganization"

(a) A corporation resulting from a reorganization, and

(b) Both corporations, in the case of a reorganization resulting from the acquisition by one corporation of stock or properties of another. In the case of a reorganization qualifying under Section 17461(a)(3), if the stock exchanged for the properties is stock of a corporation which is in control of the acquiring corporation, the term "a party to a reorganization" includes the corporation so controlling the acquiring corporation. In the case of a reorganization qualifying under Section 17461(a)(1) or (3) by reason of Section 17461(b)(3), the term "a party to a reorganization" includes the corporation controlling the corporation to which the acquired assets are transferred.

17463. For purposes of Articles 1 to 8, inclusive (other than Sections 17332 to 17335, inclusive), the term "control" means the ownership of stock possessing at least 80 percent of the total combined voting power of all classes of stock entitled to vote and at least 80 percent of the total number of shares of all other classes of stock of the corporation.

Article 9. Insolvency Reorganizations

17481. No gain or loss shall be recognized if property of a corporation (other than a railroad corporation as defined in Section 77(m) of the Bankruptcy Act (49 Stat. 922; 11 U. S. C. 205) is transferred in pursuance of an order of the court having jurisdiction of such corporation—

Insolvency reorganizations: Exchanges by corporations

(a) In a receivership, foreclosure, or similar proceeding, or

(b) In a proceeding under Chapter X of the Bankruptcy Act (52 Stat. 883-905; 11 U. S. C., Chapter 10) or the corresponding provisions of prior law, to another corporation organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding, in exchange solely for stock or securities in such other corporation.

Exchanges
by security
holders

17482. (a) No gain or loss shall be recognized on an exchange consisting of the relinquishment or extinguishment of stock or securities in a corporation the plan or reorganization of which is approved by the court in a proceeding described in Section 17481, in consideration of the acquisition solely of stock or securities in a corporation organized or made use of to effectuate such plan of reorganization.

Gain from
exchanges
not solely
in kind

(b) If an exchange would be within the provisions of subsection (a) if it were not for the fact that the property received in exchange consists not only of property permitted by subsection (a) to be received without the recognition of gain, but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property.

Loss from
exchanges,
not solely
in kind

17483. If an exchange would be within the provisions of Section 17481 or 17482(a) if it were not for the fact that the property received in exchange consists not only of property permitted by Section 17481 or 17482(a) to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange shall be recognized.

Assumption,
etc., of
liability

17484. In the case of a transaction involving an assumption of a liability or the acquisition of property subject to a liability, the rules provided in Section 17440 shall apply.

CHAPTER 5. DEFERRED COMPENSATION

Article 1. Pension, Profit-sharing and Stock Bonus Plans

Qualified
pension,
profit-
sharing and
stock bonus
plans

17501. A trust created or organized in the United States and forming part of a stock bonus, pension, or profit-sharing plan of an employer for the exclusive benefit of his employees or their beneficiaries shall constitute a qualified trust under this article—

(a) If contributions are made to the trust by such employer, or employees, or both, or by another employer who is entitled to deduct his contributions under Section 17516(b) (relating to deduction for contributions to profit-sharing and stock bonus plans), for the purpose of distributing to such employees or their beneficiaries the corpus and income of the fund accumulated by the trust in accordance with such plan;

(b) If under the trust instrument it is impossible, at any time prior to the satisfaction of all liabilities with respect to employees and their beneficiaries under the trust, for any part of the corpus or income to be (within the taxable year or

thereafter) used for, or diverted to, purposes other than for the exclusive benefit of his employees or their beneficiaries;

(c) If the trust, or two or more trusts, or the trust or trusts and annuity plan or plans are designated by the employer as constituting parts of a plan intended to qualify under this section which benefits either—

(1) Seventy percent or more of all the employees, or 80 percent or more of all the employees who are eligible to benefit under the plan if 70 percent or more of all the employees are eligible to benefit under the plan, excluding in each case employees who have been employed not more than a minimum period prescribed by the plan, not exceeding five years, employees whose customary employment is for not more than 20 hours in any one week, and employees whose customary employment is for not more than five months in any calendar year, or

(2) Such employees as qualify under a classification set up by the employer and found by the Franchise Tax Board not to be discriminatory in favor of employees who are officers, shareholders, persons whose principal duties consist in supervising the work of other employees, or highly compensated employees;

and

(d) If the contributions or benefits provided under the plan do not discriminate in favor of employees who are officers, shareholders, persons whose principal duties consist in supervising the work of other employees, or highly compensated employees.

(e) A classification shall not be considered discriminatory within the meaning of subsection (c)(2) or (d) merely because it excludes employees the whole of whose remuneration constitutes "wages" under Section 3121(a)(1) of the Internal Revenue Code (relating to the Federal Insurance Contributions Act) or merely because it is limited to salaried or clerical employees. Neither shall a plan be considered discriminatory within the meaning of such provisions merely because the contributions or benefits of or on behalf of the employees under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of such employees, or merely because the contributions or benefits based on that part of an employee's remuneration which is excluded from "wages" by Section 3121(a)(1) of the Internal Revenue Code, or of the California Unemployment Insurance Act differ from the contributions or benefits based on employee's remuneration not so excluded, or differ because of any retirement benefits created under state or federal law.

(f) A plan shall be considered as meeting the requirements of subsection (c) during the whole of any taxable year of the plan if on one day in each quarter it satisfied such requirements.

17502. A stock bonus, pension, profit-sharing, or annuity plan shall be considered as satisfying the requirements of

Retroactive
changes
in plan

Section 17501(c),(d),(e), and (f) for the period beginning with the date on which it was put into effect and ending with the fifteenth day of the third month following the close of the taxable year of the employer in which the plan was put in effect, if all provisions of the plan which are necessary to satisfy such requirements are in effect by the end of such period and have been made effective for all purposes with respect to the whole of such period.

Employees'
trusts Tax-
ability of
beneficiary
of exempt
trust

17503. (a) Except as provided in subsection (b), the amount actually distributed or made available to any distributee by any employees' trust described in Section 17501 which is exempt from tax under Section 17631 shall be taxable to him, in the year in which so distributed or made available, under Sections 17101 to 17108, inclusive. The amount actually distributed or made available to any distributee shall not include net unrealized appreciation in securities of the employer corporation attributable to the amount contributed by the employee. Such net unrealized appreciation and the resulting adjustments to basis of such securities shall be determined in accordance with regulations prescribed by the Franchise Tax Board.

(b) In the case of an employees' trust described in Section 17501, which is exempt from tax under Section 17631, if the total distributions payable with respect to any employee are paid to the distributee within one taxable year of the distributee on account of the employee's death or other separation from the service, or on account of the death of the employee after his separation from the service, the amount of such distribution, to the extent exceeding the amounts contributed by the employee, which employee contributions shall be reduced by any amounts theretofore distributed to him which were not includible in gross income, shall be considered a gain from the sale or exchange of a capital asset held for more than two years, but not more than five years.

Where such total distributions include securities of the employer corporation, there shall be excluded from such excess the net unrealized appreciation attributable to that part of the total distributions which consists of the securities of the employer corporation so distributed. The amount of such net unrealized appreciation and the resulting adjustments to basis of the securities of the employer corporation so distributed shall be determined in accordance with regulations prescribed by the Franchise Tax Board.

(c) For purposes of this section—

"Securities"

(1) The term "securities" means only shares of stock and bonds or debentures issued by a corporation with interest coupons or in registered form.

"Securities
of the
employer
corporation"

(2) The term "securities of the employer corporation" includes securities of a parent or subsidiary corporation (as defined in Section 17535(a) and (b)) of the employer corporation.

"Total
distributions
payable"

(3) The term "total distributions payable" means the balance to the credit of an employee which becomes payable to a

distributee on account of the employee's death or other separation from the service, or on account of his death after separation from the service.

17504. Contributions to an employees' trust made by an employer during a taxable year of the employer which ends within or with a taxable year of the trust for which the trust is not exempt from tax under Section 17631 shall be included in the gross income of an employee for the taxable year in which the contribution is made to the trust in the case of an employee whose beneficial interest in such contribution is non-forfeitable at the time the contribution is made. The amount actually distributed or made available to any distributee by any such trust shall be taxable to him, in the year in which so distributed or made available, under Sections 17101 to 17108, inclusive.

Taxability of
beneficiary of
nonexempt
trust

17505. For purposes of Sections 17503 and 17504, a stock bonus, pension, or profit-sharing trust which would qualify for exemption from tax under Section 17631 except for the fact that it is a trust created or organized outside the United States shall be treated as if it were a trust exempt from tax under Section 17631.

Taxability of
beneficiary of
trusts
created, etc.,
outside U S

17506. Notwithstanding Section 17504 or any other provision of this part, a contribution to a trust by an employer shall not be included in the gross income of the employee in the year in which the contribution is made if—

Employees'
annuities

(a) Such contribution is to be applied by the trustee for the purchase of annuity contracts for the benefit of such employee;

(b) Such contribution is made to the trustee pursuant to a written agreement entered into prior to September 1, 1943, between the employer and the trustee, or between the employer and the employee; and

(c) Under the terms of the trust agreement the employee is not entitled during his lifetime, except with the consent of the trustee, to any payments under annuity contracts purchased by the trustee other than annuity payments.

The employee shall include in his gross income the amounts received under such contracts for the year received as provided in Sections 17101 to 17108, inclusive. This section shall have no application with respect to amounts contributed to a trust after June 1, 1951, if the trust on such date was exempt under Sections 18156 to 18167, inclusive, of the Personal Income Tax Law of 1954. For purposes of this section, amounts paid by an employer for the purchase of annuity contracts which are transferred to the trustee shall be deemed to be contributions made to a trust or trustee and contributions applied by the trustee for the purchase of annuity contracts; the term "annuity contracts purchased by the trustee" shall include annuity contracts so purchased by the employer and transferred to the trustee; and the term "employee" shall include only a person who was in the employ of the employer, and was

covered by the agreement referred to in subsection (b) prior to September 1, 1943.

Termination
of stock
bonus, etc.,
plans

17507. For purposes of Section 17503, distributions made after December 31, 1954, and before January 1, 1956, as a result of the complete termination of a stock bonus, pension, or profit-sharing plan of an employer which is a corporation, if the termination of the plan is incident to the complete liquidation, occurring before the date of enactment of this title, of the corporation, whether or not such liquidation is incident to a reorganization as defined in Section 17461, shall be considered to be distributions on account of separation from service.

Taxation of
employee
annuities.
Under
qualified
annuity plan

17511. Except as provided in subsection (a), if an annuity contract is purchased by an employer for an employee under a plan with respect to which the employer's contribution is deductible under Section 17515 or Chapter 12 of Part 11, Division 2, of this code, or if an annuity contract is purchased for an employee by an employer described in Section 23701d of the Bank and Corporation Tax Law which is exempt from tax under Section 23701 of such law, the employee shall include in his gross income the amounts received under such contract for the year received as provided in Sections 17101 to 17108, inclusive.

(a) If—

(1) An annuity contract is purchased by an employer for an employee under a plan which meets the requirements of Section 17501(c), (d), (e), and (f);

(2) Such plan requires that refunds of contributions with respect to annuity contracts purchased under such plan be used to reduce subsequent premiums on the contracts under the plan; and

(3) The total amounts payable by reason of an employee's death or other separation from the service, or by reason of the death of an employee after the employee's separation from the service, are paid to the payee within one taxable year of the payee,

then the amount of such payments, to the extent exceeding the amount contributed by the employee which employee contributions shall be reduced by any amounts theretofore paid to him which were not includable in gross income, shall be considered a gain from the sale or exchange of a capital asset held for more than two years, but not more than five years.

"Total
amounts"

(b) For purposes of subsection (a), the term "total amounts" means the balance to the credit of an employee which becomes payable to the payee by reason of the employee's death or other separation from the service, or by reason of his death after separation from the service.

Under non-
qualified
annuity

17512. If an annuity contract purchased by an employer for an employee is not subject to Section 17511 and the employee's rights under the contract are nonforfeitable, except for failure to pay future premiums, the amount contributed by the employer for such annuity contract on or after such

rights become nonforfeitable shall be included in the gross income of the employee in the year in which the amount is contributed. The employee shall include in his gross income the amounts received under such contract for the year received as provided in Sections 17101 to 17108, inclusive.

17513. If contributions are paid by an employer to or under a stock bonus, pension, profit-sharing, or annuity plan, or if compensation is paid or accrued on account of any employee under a plan deferring the receipt of such compensation, such contributions or compensation shall not be deductible under Section 17202 (relating to trade or business expenses) or Section 17252 (relating to expenses for the production of income) but if they satisfy the conditions of either of such sections, they shall be deductible under Sections 17513 to 17523, inclusive, subject, however, to the limitations contained in Sections 17514 to 17523, inclusive, as to the amounts deductible in any year.

Deductions:
Stock bonus,
etc., plan
contribu-
tions

17514. If the contributions are paid into a pension trust, and if such taxable year ends within or with a taxable year of the trust for which the trust is exempt under Section 17631, the amount deductible is determined as follows:

Contribu-
tions paid
into pension
trust

(a) An amount not in excess of 5 percent of the compensation otherwise paid or accrued during the taxable year to all the employees under the trust, but such amount may be reduced for future years if found by the Franchise Tax Board upon periodical examinations at not less than five-year intervals to be more than the amount reasonably necessary to provide the remaining unfunded cost of past and current service credits of all employees under the plan, plus

(b) Any excess over the amount allowable under subsection (a) necessary to provide with respect to all of the employees under the trust the remaining unfunded cost of their past and current service credits distributed as a level amount, or a level percentage of compensation, over the remaining future service of each such employee, as determined under regulations prescribed by the Franchise Tax Board, but if such remaining unfunded cost with respect to any three individuals is more than 50 percent of such remaining unfunded cost, the amount of such unfunded cost attributable to such individuals shall be distributed over a period of at least five taxable years, or

(c) In lieu of the amounts allowable under subsections (a) and (b) above, an amount equal to the normal cost of the plan, as determined under regulations prescribed by the Franchise Tax Board plus, if past service or other supplementary pension or annuity credits are provided by the plan, an amount not in excess of 10 percent of the cost which would be required to completely fund or purchase such pension or annuity credits as of the date when they are included in the plan, as determined under regulations prescribed by the Franchise Tax Board, except that in no case shall a deduction be allowed for any amount (other than the normal cost) paid in

after such pension or annuity credits are completely funded or purchased.

(d) Any amount paid in a taxable year in excess of the amount deductible in such year under the foregoing limitations shall be deductible in the succeeding taxable years in order of time to the extent of the difference between the amount paid and deductible in each such succeeding year and the maximum amount deductible for such year in accordance with the foregoing limitations.

Contribu-
tions paid
toward
purchase of
retirement
annuities,
etc

17515. A deduction shall be allowed in the taxable year when paid, in an amount determined in accordance with Section 17514, if the contributions are paid toward the purchase of retirement annuities and such purchase is a part of a plan which meets the requirements of Section 17501(c), (d), (e), and (f), and if refunds of premiums, if any, are applied within the current taxable year or next succeeding taxable year towards the purchase of such retirement annuities.

Contribu-
tions paid
into stock
bonus or
profit-
sharing
trust, etc.

17516. (a) A deduction shall be allowed in the taxable year when paid, if the contributions are paid into a stock bonus or profit-sharing trust, and if such taxable year ends within or with a taxable year of the trust with respect to which the trust is exempt under Section 17631, in an amount not in excess of 15 percent of the compensation otherwise paid or accrued during the taxable year to all employees under the stock bonus or profit-sharing plan. If in any taxable year there is paid into the trust, or a similar trust then in effect, amounts less than the amounts deductible under the preceding sentence, the excess, or if no amount is paid, the amounts deductible, shall be carried forward and be deductible when paid in the succeeding taxable years in order of time, but the amount so deductible under this sentence in any such succeeding taxable year shall not exceed 15 percent of the compensation otherwise paid or accrued during such succeeding taxable year to the beneficiaries under the plan. In addition, any amount paid into the trust in any taxable year in excess of the amount allowable with respect to such year under the preceding provisions of this section shall be deductible in the succeeding taxable years in order of time, but the amount so deductible under this sentence in any one such succeeding taxable year together with the amount allowable under the first sentence of this section shall not exceed 15 percent of the compensation otherwise paid or accrued during such taxable year to the beneficiaries under the plan. The term "stock bonus or profit-sharing trust," as used in this section, shall not include any trust designed to provide benefits upon retirement and covering a period of years, if under the plan the amounts to be contributed by the employer can be determined actuarially as provided in Section 17514. If the contributions are made to two or more stock bonus or profit-sharing trusts, such trusts shall be considered a single trust for purposes of applying the limitations in this section.

"Stock
bonus or
profit-
sharing
trust"

(b) In the case of a profit-sharing plan, or a stock bonus plan in which contributions are determined with reference to

profits, of a group of corporations which is an affiliated group within the meaning of Section 1504 of The Federal Internal Revenue Code, if any member of such affiliated group is prevented from making a contribution which it would otherwise have made under the plan, by reason of having no current or accumulated earnings or profits or because such earnings or profits are less than the contributions which it would otherwise have made, then so much of the contribution which such member was so prevented from making may be made, for the benefit of the employees of such member, by the other members of the group, to the extent of current or accumulated earnings or profits, except that such contribution by each such other member shall be limited, where the group does not file a consolidated return, to that proportion of its total current and accumulated earnings or profits remaining after adjustment for its contribution deductible without regard to this subsection which the total prevented contribution bears to the total current and accumulated earnings or profits of all the members of the group remaining after adjustment for all contributions deductible without regard to this subsection. Contributions made under the preceding sentence shall be deductible under subsection (a) of this section by the employer making such contributions, and, for the purpose of determining amounts which may be carried forward and deducted under the second sentence of subsection (a) of this section in succeeding taxable years, shall be deemed to have been made by the employer on behalf of whose employees such contributions were made.

17517. If a stock bonus, pension, or profit-sharing trust would qualify for exemption under Section 17631 except for the fact that it is a trust created or organized outside of this State, contributions to such a trust by an employer which is a resident, or corporation, or other entity of this State, shall be deductible under the preceding sections. Trusts created, etc., outside U S

17518. A deduction shall be allowed in the taxable year when paid, if the plan is not one included in Section 17514, 17515, or 17516, if the employees' rights to or derived from such employer's contribution or such compensation are non-forfeitable at the time the contribution or compensation is paid. Other plans

17519. For purposes of Section 17514, 17515, or 17516, a taxpayer on the accrual basis shall be deemed to have made a payment on the last day of the year of accrual if the payment is on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof). Taxpayers on accrual basis

17520. If amounts are deductible under Sections 17514 and 17516, or 17515 and 17516, or 17514, 17515, and 17516, in connection with two or more trusts, or one or more trusts and an annuity plan, the total amount deductible in a taxable year under such trusts and plans shall not exceed 25 percent of the compensation otherwise paid or accrued during the taxable year to the persons who are the beneficiaries of the trusts or plans. In Limit of deduction

addition, any amount paid into such trust or under such annuity plans in any taxable year in excess of the amount allowable with respect to such year under the preceding provisions of this section shall be deductible in the succeeding taxable years in order of time, but the amount so deductible under this sentence in any one such succeeding taxable year together with the amount allowable under the first sentence of this section shall not exceed 30 percent of the compensation otherwise paid or accrued during such taxable years to the beneficiaries under the trusts or plans. This section shall not have the effect of reducing the amount otherwise deductible under Sections 17514, 17515, and 17516, if no employee is a beneficiary under more than one trust, or a trust and an annuity plan.

Where
no plan

17521. If there is no plan but a method of employer contributions or compensation has the effect of a stock bonus, pension, profit-sharing, or annuity plan, or similar plan deferring the receipt of compensation, Sections 17513 to 17520, inclusive, shall apply as if there were such a plan.

Employer's
contribu-
tions for
medical
care, etc

17522. If contributions are paid by an employer—

(a) Under a plan under which such contributions are held in trust for the purpose of paying (either from principal or income or both) for the benefit of employees and their families and dependents at least medical or hospital care, and pensions on retirement or death of employees; and

(b) Such plan was established prior to January 1, 1955, as a result of an agreement between employee representatives and the Government of the United States during a period of government operation, under seizure powers, of a major part of the productive facilities of the industry in which such employer is engaged, such contributions shall not be deductible under this section nor be made nondeductible by this section, but the deductibility thereof shall be governed solely by Section 17202 (relating to trade or business expenses). This section shall have no application with respect to amounts contributed to a trust on or after any date on which such trust is qualified for exemption from tax under Section 17631.

Carryover
of unused
deductions

17523. The amount of any unused deductions or contributions in excess of the deductible amounts for taxable years to which this article does not apply which under Sections 17324 to 17324.17, inclusive, of the Personal Income Tax Law of 1954 would be allowable as deductions in later years had such sections remained in effect, shall be allowable as deductions in taxable years to which this article applies as if such sections were continued in effect for such years. However, the deduction under the preceding sentence shall not exceed an amount which, when added to the deduction allowable under Sections 17513 to 17520, inclusive, for contributions made in taxable years to which this article applies, is not greater than the amount which would be deductible under

Sections 17513 to 17520, inclusive, if the contributions which give rise to the deduction under the preceding sentence were made in a taxable year to which this article applies.

Article 2. Employee Stock Options

17531. If a share of stock is transferred to an individual pursuant to his exercise after December 31, 1950, of a restricted stock option, and no disposition of such share is made by him within two years from the date of the granting of the option nor within six months after the transfer of such share to him no income shall result at the time of the transfer of such share to the individual upon his exercise of the option with respect to such share; this section and 17532 shall not apply unless (a) the individual, at the time he exercises the restricted stock option, is an employee of either the corporation granting such option, a parent or subsidiary corporation of such corporation, or a corporation or a parent or subsidiary of such corporation issuing or assuming a stock option in a transaction to which Section 17540 is applicable, or (b) the option is exercised by him within three months after the date he ceases to be an employee of such corporations.

Employee
stock
options
Treatment

17532. If no disposition of a share of stock acquired by an individual on his exercise after December 31, 1950, of a restricted stock option is made by him within two years from the date of the granting of the option nor within six months after the transfer of such share to him, but, at the time the restricted stock option was granted, the option price (computed under Section 17534(a)(1)) was less than 95 percent of the fair market value at such time of such share, then, in the event of any disposition of such share by him, or in the event of his death (whenever occurring) while owning such share, there shall be included as compensation (and not as gain upon the sale or exchange of a capital asset) in his gross income, for the taxable year in which falls the date of such disposition or for the taxable year closing with his death, whichever applies—

Option price
less than
95 percent
of fair
market value

(a) In the case of a share of stock acquired under an option qualifying under Section 17534(a)(1), an amount equal to the amount (if any) by which the option price is exceeded by the lesser of—

(1) The fair market value of the share at the time of such disposition or death, or

(2) The fair market value of the share at the time the option was granted; or

(b) In the case of stock acquired under an option qualifying under Section 17534(a)(2), an amount equal to the lesser of—

(1) The excess of the fair market value of the share at the time of such disposition or death over the price paid under the option, or

(2) The excess of the fair market value of the share at the time the option was granted over the option price (computed as if the option had been exercised at such time).

In the case of the disposition of such share by the individual, the basis of the share in his hands at the time of such disposition shall be increased by an amount equal to the amount so includible in his gross income.

Acquisition
of new stock

17533. If stock is received by an individual in a distribution to which Section 17335, 17336, 17432, 17433, 17434, 17435, or 18102, or so much of Section 18081 as relates to Section 18102, applies and such distribution was made with respect to stock transferred to him upon his exercise of the option, such stock shall be considered as having been transferred to him on his exercise of such option. A similar rule shall be applied in the case of a series of such distributions.

"Restricted
stock
option"

17534. For purposes of Sections 17531, 17532, and 17533—The term "restricted stock option" means an option granted after February 26, 1945, to an individual, for any reason connected with his employment by a corporation, if granted by the employer corporation or its parent or subsidiary corporation, to purchase stock of any of such corporations, but only if—

(a) At the time such option is granted—

(1) The option price is at least 85 percent of the fair market value at such time of the stock subject to the option, or

(2) In case the purchase price of the stock under the option is fixed or determinable under a formula in which the only variable is the value of the stock at any time during a period of six months which includes the time the option is exercised, the option price (computed as if the option had been exercised when granted) is at least 85 percent of the value of the stock at the time such option is granted; and

(b) Such option by its terms is not transferable by such individual otherwise than by will or the laws of descent and distribution, and is exercisable, during his lifetime, only by him; and

(c) Such individual, at the time the option is granted, does not own stock possessing more than 10 percent of the total combined voting power of all classes of stock of the employer corporation or of its parent or subsidiary corporation. This section shall not apply if at the time such option is granted the option price is at least 110 percent of the fair market value of the stock subject to the option and such option either by its terms is not exercisable after the expiration of five years from the date such option is granted or is exercised within one year after the date of enactment of this part.

For purposes of this section—

(1) Such individual shall be considered as owning the stock owned, directly or indirectly, by or for his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants; and

(2) Stock owned, directly or indirectly, by or for a corporation, partnership, estate, or trust, shall be considered as being owned proportionately by or for its shareholders, partners, or beneficiaries; and

(d) Such option by its terms is not exercisable after the expiration of 10 years from the date such option is granted, if such option has been granted on or after December 31, 1954.

17535. (a) The term "parent corporation" means any corporation (other than the employer corporation) in an unbroken chain of corporations ending with the employer corporation if, at the time of the granting of the option, each of the corporations other than the employer corporation owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

"Parent
corporation"

(b) The term "subsidiary corporation" means any corporation (other than the employer corporation) in an unbroken chain of corporations beginning with the employer corporation if, at the time of the granting of the option, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

"Subsidiary
corporation"

(c) (1) Except as provided in paragraph (2), the term "disposition" includes a sale, exchange, gift, or a transfer of legal title, but does not include—

"Disposi-
tion"

(A) A transfer from a decedent to an estate or a transfer by bequest or inheritance;

(B) An exchange to which Section 17335, 17336, 17432, 17433, 17434, 17435, or 18102 (or so much of Section 18081 as relates to Section 18102) applies; or

(C) A mere pledge or hypothecation.

(2) The acquisition of a share of stock in the name of the employee and another jointly with the right of survivorship or a subsequent transfer of a share of stock into such joint ownership shall not be deemed a disposition, but a termination of such joint tenancy (except to the extent such employee acquires ownership of such stock) shall be treated as a disposition by him occurring at the time such joint tenancy is terminated.

17536 If the grant of an option is subject to approval by stockholders, the date of grant of the option shall be determined as if the option had not been subject to such approval.

Stockholder
approval

17537. (a) If a restricted stock option is exercised subsequent to the death of the employee by the estate of the decedent, or by a person who acquired the right to exercise such option by bequest or inheritance or by reason of the death of the decedent, the provisions of Sections 17531 to 17537, inclusive, shall apply to the same extent as if the option had been exercised by the decedent except that—

Exercise
by estate

(1) The holding period and employment requirements of Section 17531 shall not apply, and

(2) Any transfer by the estate of stock acquired shall be considered a disposition of such stock for purposes of Section 17532.

(b) If an amount is required to be included under Section 17532 in gross income of the estate of the deceased employee or of a person described in subsection (a), there shall be allowed to the estate or such person a deduction with respect to the inheritance tax attributable to the inclusion in the taxable estate of the deceased employee of the net value for inheritance tax purposes of the restricted stock option. For this purpose, the deduction shall be determined under Sections 17836 and 17837 as if the option acquired from the deceased employee were an item of gross income in respect of the decedent under Sections 17831 to 17838, inclusive, and as if the amount includible in gross income under Section 17532 were an amount included in gross income under Sections 17831 to 17837, inclusive, in respect of such item of gross income.

Modifica-
tion, etc.,
of option

17538. (a) For purposes of Section 17537, if the terms of any option to purchase stock are modified, extended, or renewed, the following rules shall be applied with respect to transfers of stock made on the exercise of the option after the making of such modification, extension, or renewal—

(1) Such modification, extension, or renewal shall be considered as the granting of a new option;

(2) The fair market value of such stock at the time of the granting of such option shall be considered as—

(A) The fair market value of such stock on the date of the original granting of the option;

(B) The fair market value of such stock on the date of the making of such modification, extension, or renewal; or

(C) The fair market value of such stock at the time of the making of any intervening modification, extension, or renewal, whichever is the highest.

Paragraph (2) shall not apply if the aggregate of the monthly average fair market values of the stock subject to the option for the 12 consecutive calendar months before the date of the modification, extension, or renewal, divided by 12, is an amount less than 80 percent of the fair market value of such stock on the date of the original granting of the option or the date of the making of any intervening modification, extension, or renewal, whichever is the highest.

“Modifica-
tion”

(b) The term “modification” means any change in the terms of the option which gives the employee additional benefits under the option, but such term shall not include a change in the terms of the option—

(1) Attributable to the issuance or assumption of an option under Section 17540; or

(2) To permit the option to qualify under Section 17534(a)(2).

If an option is exercisable after the expiration of 10 years from the date such option is granted, paragraph (2) shall not apply unless the terms of the option are also changed to make it not exercisable after the expiration of such period.

Effect of dis-
qualifying
disposition

17539. If a share of stock, acquired by an individual pursuant to his exercise of a restricted stock option, is disposed of

by him within two years from the date of the granting of the option or within six months after the transfer of such share to him, then any increase in the income of such individual or deduction from the income of his employer corporation for the taxable year in which such exercise occurred attributable to such disposition, shall be treated as an increase in income or a deduction from income in the taxable year of such individual or of such employer corporation in which such disposition occurred.

17540. For purposes of Sections 17531 to 17539, inclusive, the term "issuing or assuming a stock option in a transaction to which Section 17540 is applicable" means a substitution of a new option for the old option, or an assumption of the old option, by an employer corporation, or a parent or subsidiary of such corporation, by reason of a corporate merger, consolidation, acquisition of property or stock, separation, reorganization, or liquidation, if—

"Issuing or assuming stock option in transaction to which Section 17540 is applicable"

(a) The excess of the aggregate fair market value of the shares subject to the option immediately after the substitution or assumption over the aggregate option price of such shares is not more than the excess of the aggregate fair market value of all shares subject to the option immediately before such substitution or assumption over the aggregate option price of such shares; and

(b) The new option or the assumption of the old option does not give the employee additional benefits which he did not have under the old option

For purposes of this section, the parent-subsidiary relationship shall be determined at the time of any such transaction under this section.

CHAPTER 6. ACCOUNTING PERIODS AND METHODS OF ACCOUNTING

Article 1. Accounting Periods

17551. (a) Taxable income shall be computed on the basis of the taxpayer's taxable year.

Accounting periods, "Taxable year"

(b) For purposes of this part, the term "taxable year" means—

(1) The taxpayer's annual accounting period, if it is a calendar year or a fiscal year;

(2) The calendar year, if subsection (g) applies; or

(3) The period for which the return is made, if a return is made for a period of less than 12 months.

(c) For purposes of this part, the term "annual accounting period" means the annual period on the basis of which the taxpayer regularly computes his income in keeping his books.

"Annual accounting period"

(d) For purposes of this part, the term "calendar year" means a period of 12 months ending on December 31st.

"Calendar year"

(e) For purposes of this part, the term "fiscal year" means a period of 12 months ending on the last day of any month

"Fiscal year"

other than December. In the case of any taxpayer who has made the election provided by subsection (f), the term means the annual period (varying from 52 to 53 weeks) so elected.

Computati
n of taxable
income on
annual
accounting
period

(f) (1) A taxpayer who, in keeping his books, regularly computes his income on the basis of an annual period which varies from 52 to 53 weeks and ends always on the same day of the week and ends always—

(A) On whatever date such same day of the week last occurs in a calendar month; or

(B) On whatever date such same day of the week falls which is nearest to the last day of a calendar month; may (in accordance with the regulations prescribed under paragraph (3)) elect to compute his taxable income for purposes of this part on the basis of such annual period.

(2) (A) In any case in which the effective date or the applicability of any provision of this part is expressed in terms of taxable years beginning or ending with reference to a specified date which is the first or last day of a month, a taxable year described in paragraph (1) shall be treated—

(i) As beginning with the first day of the calendar month beginning nearest to the first day of such taxable year; or

(ii) As ending with the last day of the calendar month ending nearest to the last day of such taxable year; as the case may be.

(B) In the case of a change from or to a taxable year described in paragraph (1)—

(i) If such change results in a short period (within the meaning of Sections 17553 to 17556, inclusive) of 359 days or more, or of less than seven days, Sections 17554 and 17555, shall not apply;

(ii) If such change results in a short period of less than seven days such short period shall, for purposes of this part, be added to and deemed a part of the following taxable year; and

(iii) If such change results in a short period to which Sections 17554 and 17555 apply, the taxable income for such short period shall be placed on an annual basis for purposes of such sections by multiplying such income by 365 and dividing the result by the number of days in the short period, and the tax shall be the same part of the tax computed on an annual basis as the number of days in the short period is of 365 days.

(3) The Franchise Tax Board shall prescribe such regulations as it deems necessary for the application of this section.

(g) Except as provided in Section 17553 (relating to returns for periods of less than 12 months), the taxpayer's taxable year shall be the calendar year if—

(1) The taxpayer keeps no books;

(2) The taxpayer does not have an annual accounting period; or

(3) The taxpayer has an annual accounting period, but such period does not qualify as a fiscal year.

17552. If a taxpayer changes his annual accounting period, the new accounting period shall become the taxpayer's taxable year only if the change is approved by the Franchise Tax Board. For purposes of this part, if a taxpayer to whom Section 17551(g) applies adopts an annual accounting period (as defined in Section 17551(c)) other than a calendar year, the taxpayer shall be treated as having changed his annual accounting period.

Change of
annual
accounting
period

17553. A return for a period of less than 12 months (referred to in this section as "short period") shall be made under any of the following circumstances:

"Short
period"—
less than 12
months

(a) When the taxpayer, with the approval of the Franchise Tax Board, changes his annual accounting period. In such a case, the return shall be made for the short period beginning on the day after the close of the former taxable year and ending at the close of the day before the day designated as the first day of the new taxable year.

(b) When the taxpayer is in existence during only part of what would otherwise be his taxable year.

(c) When the Franchise Tax Board terminates the taxpayer's taxable year under Section 18642 (relating to tax in jeopardy).

17554. If a return is made under Section 17553(a), the taxable income for the short period shall be placed on an annual basis by multiplying such income by 12 and dividing the result by the number of months in the short period. The tax shall be the same part of the tax computed on the annual basis as the number of months in the short period is of 12 months.

Tax compu-
tation on
change
of annual
accounting
period

17555. (a) If the taxpayer applies for the benefits of this section and establishes the amount of his taxable income for the 12-month period described in subsection (b), computed as if that period were a taxable year and under the law applicable to that year, then the tax for the short period, computed under Section 17554, shall be reduced to the greater of the following:

Exception

(1) An amount which bears the same ratio to the tax computed on the taxable income for the 12-month period as the taxable income computed on the basis of the short period bears to the taxable income for the 12-month period; or

(2) The tax computed on the taxable income for the short period without placing the taxable income on an annual basis.

The taxpayer (other than a taxpayer to whom paragraph (b)(2) applies) shall compute the tax and file his return without the application of this section.

(b) The 12-month period referred to in subsection (a) shall be—

(1) The period of 12 months beginning on the first day of the short period, or

(2) The period of 12 months ending at the close of the last day of the short period, if at the end of the 12 months referred to in subparagraph (1) the taxpayer is not in existence.

(c) Application for the benefits of this section shall be made in such manner and at such time as the regulations prescribed under subsection (d) may require; except that the time so prescribed shall not be later than the time (including extensions) for filing the return for the first taxable year which ends on or after the day which is 12 months after the first day of the short period. Such application, in case the return was filed without regard to this section, shall be considered a claim for credit or refund with respect to the amount by which the tax is reduced under this section.

Franchise
Tax Board
regulations
Adjustment
in deduction
for personal
exemption

(d) The Franchise Tax Board shall prescribe such regulations as it deems necessary for the application of this section.

17556. If a return is made for a short period by reason of Section 17553(a) and if the tax is not computed under Section 17555, then the exemptions allowed as a deduction under Section 17181 (and any deduction in lieu thereof) shall be reduced to amounts which bear the same ratio to the full exemptions as the number of months in the short period bears to 12.

Article 2. General Rule for Methods of Accounting

Methods of
accounting

17561. (a) Taxable income shall be computed under the method of accounting on the basis of which the taxpayer regularly computes his income in keeping his books.

(b) If no method of accounting has been regularly used by the taxpayer, or if the method used does not clearly reflect income, the computation of taxable income shall be made under such method as, in the opinion of the Franchise Tax Board, does clearly reflect income.

(c) Subject to the provisions of subsections (a) and (b), a taxpayer may compute taxable income under any of the following methods of accounting—

- (1) The cash receipts and disbursements method;
- (2) An accrual method;
- (3) Any other method permitted by this part; or
- (4) Any combination of the foregoing methods permitted under regulations prescribed by the Franchise Tax Board.

(d) A taxpayer engaged in more than one trade or business may, in computing taxable income, use a different method of accounting for each trade or business.

(e) Except as otherwise expressly provided in this part, a taxpayer who changes the method of accounting on the basis of which he regularly computes his income in keeping his books shall, before computing his taxable income under the new method, secure the consent of the Franchise Tax Board.

Article 3. Taxable Year for Which Items of Gross Income Included

Taxable year
for inclusion
of gross
income

17571 (a) The amount of any item of gross income shall be included in the gross income for the taxable year in which

received by the taxpayer, unless, under the method of accounting used in computing taxable income, such amount is to be properly accounted for as of a different period.

(b) In the case of the death of a taxpayer whose taxable income is computed under an accrual method of accounting, any amount accrued only by reason of the death of the taxpayer shall not be included in computing taxable income for the period in which falls the date of the taxpayer's death.

17577. Under regulations prescribed by the Franchise Tax Board, a person who regularly sells or otherwise disposes of personal property on the installment plan may return as income therefrom in any taxable year that proportion of the installment payments actually received in that year which the gross profit, realized or to be realized when payment is completed, bears to the total contract price.

Installment
sales
Dealers in
personal
property

17578. (a) Income from—

(1) A sale or other disposition of real property, or

(2) A casual sale or other casual disposition of personal property (other than property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year) for a price exceeding one thousand dollars (\$1,000),

Casual
personal
property or
real property

may (under regulations prescribed by the Franchise Tax Board) be returned on the basis and in the manner prescribed in Section 17577.

(b) Subsection (a) shall apply—

(1) In the case of a sale or other disposition during a taxable year beginning after December 31, 1954, only if in the taxable year of the sale or other disposition—

(A) There are no payments, or

(B) The payments (exclusive of evidences of indebtedness of the purchaser) do not exceed 30 percent of the selling price.

(2) In the case of a sale or other disposition during a taxable year beginning before January 1, 1955, only if the income was (by reason of Section 17532 of the Personal Income Tax Law of 1954) returnable on the basis and in the manner prescribed in Section 17531 of such law.

17579. (a) If a taxpayer entitled to the benefits of Section 17577 elects for any taxable year to report his taxable income on the installment basis, then in computing his taxable income for such year (referred to in this section as "year of change") or for any subsequent year—

Installment
reporting
"Year of
change"

(1) Installment payments actually received during any such year on account of sales or other dispositions of property made in any taxable year before the year of change shall not be excluded; but

(2) The tax imposed by this part for any taxable year (referred to in this section as "adjustment year") beginning after December 31, 1954, shall be reduced by the adjustment computed under subsection (b).

"Adjustment
year"

(b) In determining the adjustment referred to in subsection (a) (2), first determine, for each taxable year before the year of change, the amount which equals the lesser of—

(1) The portion of the tax for such prior taxable year which is attributable to the gross profit which was included in gross income for such prior taxable year, and which by reason of subsection (a) (1) is includible in gross income for the taxable year; or

(2) The portion of the tax for the adjustment year which is attributable to the gross profit described in subsection (a).

The adjustment referred to in subsection (a) (1) for the adjustment year is the sum of the amounts determined under the preceding sentence.

(c) For purposes of subsection (b), the portion of the tax for a prior taxable year, or for the adjustment year, which is attributable to the gross profit described in such subsection is that amount which bears the same ratio to the tax imposed by this part (or by the corresponding provisions of prior income tax laws) for such taxable year (computed without regard to subsection (b)) as the gross profit described in such subsection (b) bears to the gross income for such taxable year.

Installment
obligations
Gain or loss
on dis-
position

17580. (a) If an installment obligation is satisfied at other than its face value or distributed, transmitted, sold, or otherwise disposed of, gain or loss shall result to the extent of the difference between the basis of the obligation and—

(1) The amount realized, in the case of satisfaction at other than face value or a sale or exchange, or

(2) The fair market value of the obligation at the time of distribution, transmission, or disposition, in the case of the distribution, transmission, or disposition otherwise than by sale or exchange.

Any gain or loss so resulting shall be considered as resulting from the sale or exchange of the property in respect of which the installment obligation was received.

(b) The basis of an installment obligation shall be the excess of the face value of the obligation over an amount equal to the income which would be returnable were the obligation satisfied in full.

(c) Except as provided in Sections 17831 to 17837, inclusive (relating to recipients of income in respect of decedents), this section shall not apply to the transmission of installment obligations at death.

Noninterest-
bearing
obligations
issued at
discount
Election in
reporting

17581. If, in the case of a taxpayer owning any noninterest-bearing obligation issued at a discount and redeemable for fixed amounts increasing at stated intervals, the increase in the redemption price of such obligation occurring in the taxable year does not (under the method of accounting used in computing his taxable income) constitute income to him in such year, such taxpayer may, at his election made in his return for any taxable year, treat such increase as income received in such taxable year. If any such election is made with respect to any such obligation, it shall apply also to all such

Effect of
election

obligations owned by the taxpayer at the beginning of the first taxable year to which it applies and to all such obligations thereafter acquired by him and shall be binding for all subsequent taxable years, unless on application by the taxpayer the Franchise Tax Board permits him, subject to such conditions as the Franchise Tax Board deems necessary, to change to a different method. In the case of any such obligations owned by the taxpayer at the beginning of the first taxable year to which his election applies, the increase in the redemption price of such obligations occurring between the date of acquisition and the first day of such taxable year shall also be treated as income received in such taxable year.

17582. In the case of any noninterest-bearing obligation—
which is issued on a discount basis and payable without interest at a fixed maturity date not exceeding one year from the date of issue, the amount of discount at which such obligation is originally sold shall not be considered to accrue until the date on which such obligation is paid at maturity, sold, or otherwise disposed of.

Discount
amount

Article 4. Taxable Year for Which Deduction Taken

17591. (a) The amount of any deduction or credit allowed by this part shall be taken for the taxable year which is the proper taxable year under the method of accounting used in computing taxable income.

Taxable year
for taking
deductions

(b) In the case of the death of a taxpayer whose taxable income is computed under an accrual method of accounting, any amount accrued as a deduction or credit only by reason of the death of the taxpayer shall not be allowed in computing taxable income for the period in which falls the date of the taxpayer's death.

17596. When the status of a taxpayer changes from resident to nonresident, or from nonresident to resident, there shall be included in determining income from sources within or without this State, as the case may be, income and deductions accrued prior to the change of status even though not otherwise includible in respect of the period prior to such change, but the taxation or deduction of items accrued prior to the change of status shall not be affected by the change.

Change of
status from
resident to
nonresident

Article 5. Inventories

17601. Whenever in the opinion of the Franchise Tax Board the use of inventories is necessary in order clearly to determine the income of any taxpayer, inventories shall be taken by such taxpayer on such basis as the Franchise Tax Board may prescribe as conforming as nearly as may be to the best accounting practice in the trade or business and as most clearly reflecting the income.

Inventories
taken as
prescribed
by Franchise
Tax Board

17602. A taxpayer may use the method provided in Section 17603 (whether or not such method has been prescribed

Method of
inventorying
goods

under Section 17601) in inventorying goods specified in an application to use such method filed at such time and in such manner as the Franchise Tax Board may prescribe. The change to, and the use of, such method shall be in accordance with such regulations as the Franchise Tax Board may prescribe as necessary in order that the use of such method may clearly reflect income.

First in,
last out
method

17603. In inventorying goods specified in the application described in Section 17602, the taxpayer shall:

(a) Treat those remaining on hand at the close of the taxable year as being: First, those included in the opening inventory of the taxable year (in the order of acquisition) to the extent thereof; and second, those acquired in the taxable year;

(b) Inventory them at cost; and

(c) Treat those included in the opening inventory of the taxable year in which such method is first used as having been acquired at the same time and determine their cost by the average cost method.

Limitation

17604. Section 17602 shall apply only if the taxpayer establishes to the satisfaction of the Franchise Tax Board that the taxpayer has used no procedure other than that specified in Section 17603(a) and (c) in inventorying such goods to ascertain the income, profit, or loss of the first taxable year for which the method described in Section 17603 is to be used, for the purpose of a report or statement covering such taxable year—

(a) To shareholders, partners, or other proprietors, or to beneficiaries; or

(b) For credit purposes.

Closing
inventory
at cost

17605. In determining income for the taxable year preceding the taxable year for which the method described in Section 17603 is first used, the closing inventory of such preceding year of the goods specified in the application referred to in Section 17602 shall be at cost.

Subsequent
inventories

17606. If a taxpayer, having complied with Section 17602, uses the method described in Section 17603 for any taxable year, then such method shall be used in all subsequent taxable years unless—

(a) With the approval of the Franchise Tax Board a change to a different method is authorized; or,

(b) The Franchise Tax Board determines that the taxpayer has used for any such subsequent taxable year some procedure other than that specified in Section 17603(a) in inventorying the goods specified in the application to ascertain the income, profit, or loss of such subsequent taxable year for the purpose of a report or statement covering such taxable year (A) to shareholders, partners, or other proprietors, or beneficiaries, or (B) for credit purposes; and requires a change to a method different from that prescribed in Section 17603 beginning with such subsequent taxable year or any taxable year thereafter.

If subsection (a) or (b) of this section applies, the change to, and the use of, the different method shall be in accordance with such regulations as the Franchise Tax Board may prescribe as necessary in order that the use of such method may clearly reflect income.

Article 6. Adjustments

17611. In computing the taxpayer's taxable income for any taxable year (referred to in Sections 17611 to 17614, inclusive, as the "year of the change")—

Adjustments
required by
changes in
accounting
method

(a) If such computation is under a method of accounting different from the method under which the taxpayer's taxable income for the preceding taxable year was computed; then

(b) There shall be taken into account those adjustments which are determined to be necessary solely by reason of the change in order to prevent amounts from being duplicated or omitted, except there shall not be taken into account any adjustment in respect of any taxable year to which Sections 17611 to 17614, inclusive, do not apply.

17612. (a) If—

(1) The method of accounting from which the change is made was used by the taxpayer in computing his taxable income for the two taxable years preceding the year of the change, and

(2) The increase in taxable income for the year of the change which results solely by reason of the adjustments required by Section 17611(b) exceeds three thousand dollars (\$3,000),

then the tax under this part attributable to such increase in taxable income shall not be greater than the aggregate of the taxes under this part (or under the corresponding provisions of prior income tax laws) which would result if one-third of such increase were included in taxable income for the year of the change and one-third of such increase were included for each of the two preceding taxable years.

(b) If—

(1) The increase in taxable income for the year of the change which results solely by reason of the adjustments required by Section 17611(b) exceeds three thousand dollars (\$3,000); and

(2) The taxpayer establishes his taxable income (under the new method of accounting) for one or more taxable years consecutively preceding the taxable year of the change for which the taxpayer in computing taxable income used the method of accounting from which the change is made;

then the tax under this part attributable to such increase in taxable income shall not be greater than the net increase in the taxes under this part which would result if the adjustments required by Section 17611(b) were allocated to the taxable year or years specified in paragraph (2) to which

- they are properly allocable under the new method of accounting and the balance of the adjustments required by Section 17611(b) was allocated to the taxable year of the change.
- Adjustments under regulations** 17613. In the case of any change described in Section 17611, the taxpayer may, in such manner and subject to such conditions as the Franchise Tax Board may by regulations prescribe, take the adjustments required by Section 17611(b) into account in computing the tax imposed by this part for the taxable year or years permitted under such regulations.
- Exception** 17614. Sections 17611 to 17614, inclusive, shall not apply to a change to which Section 17579 (relating to change to installment method) applies.
- Allocation of income and deductions among taxpayers** 17615. In any case of two or more persons, organizations, trades, or businesses (whether or not incorporated, whether or not organized in this State, and whether or not affiliated) owned or controlled directly or indirectly by the same interests, the Franchise Tax Board may distribute, apportion, or allocate gross income, deductions, credits, or allowances between or among such persons, organizations, trades, or businesses, if it determines that such distribution, apportionment, or allocation is necessary in order to prevent evasion of taxes or clearly to reflect the income of any of such persons, organizations, trades, or businesses.
- Separate returns of husband and wife** 17616. In any case where husband and wife file separate returns, the Franchise Tax Board may distribute, apportion or allocate gross income between the spouses, if it is determined that such distribution, apportionment or allocation is necessary in order to reflect the proper income of the spouses.

CHAPTER 7. EXEMPT TRUSTS AND COMMON TRUST FUNDS

Article 1. Taxation of Business Income of Certain Exempt Trusts

- "Article 1 taxable income"** 17631. The term "Article 1 taxable income" of a trust means the amount by which its unrelated business taxable income (as defined in Section 17632) exceeds one thousand dollars (\$1,000).
- "Unrelated business taxable income"** 17632. The term "unrelated business taxable income" means the gross income derived by any trust from any unrelated trade or business (as defined in Section 17654) regularly carried on by it, less the deductions allowed by Article 6 of Chapter 3 which are directly connected with the carrying on of such trade or business, subject to the exceptions, additions, and limitations prescribed in Sections 17633 to 17640, inclusive.
- Dividends, etc., excluded** 17633. There shall be excluded all dividends, interest, and annuities, and all deductions directly connected with such income.
- Royalties excluded** 17634. There shall be excluded all royalties (including overriding royalties) whether measured by production or by

gross or taxable income from the property, and all deductions directly connected with such income.

17635. There shall be excluded all rents from real property (including personal property leased with the real property), and all deductions directly connected with such rents. Rents excluded

17636. Notwithstanding Section 17635, in the case of a lease (as defined in Sections 17645 and 17646) there shall be included, as an item of gross income derived from an unrelated trade or business, the amount ascertained under Section 17649(a) and there shall be allowed, as a deduction, the amount ascertained under Section 17649(b). Lease included

17637. There shall be excluded all gains or losses from the sale, exchange, or other disposition of property other than (A) stock in trade or other property of a kind which would properly be includable in inventory if on hand at the close of the taxable year, or (B) property held primarily for sale to customers in the ordinary course of the trade or business. This section shall not apply with respect to the cutting of timber which is considered, upon the application of Section 17711, as a sale or exchange of such timber. Sales, etc. gains or losses excluded

17638. There shall be excluded all income derived from research for (A) the United States or any of its agencies or instrumentalities, or (B) any state or political subdivision thereof; and there shall be excluded all deductions directly connected with such income. Income from research excluded

17639. In the case of a college, university, or hospital, there shall be excluded all income derived from research performed for any person, and all deductions directly connected with such income. College, etc., research excluded

17640. In the case of a trust operated primarily for the purposes of carrying on fundamental research the results of which are freely available to the general public, there shall be excluded all income derived from research performed for any person, and all deductions directly connected with such income. Trust for research, etc., excluded

17645. The term "Article 1 lease" means a lease for a term of more than five years of the real property by a trust (or by a partnership of which it is a member), if at the close of the lessor's taxable year there is an Article 1 lease indebtedness (as defined in Section 17647) with respect to such property. "Article 1 lease"

17646. In computing the term of a lease which contains an option for renewal or extension, the term of such lease shall be considered as including any period for which such option may be exercised; and the term of any lease made pursuant to an exercise of such option shall include the period during which the prior lease was in effect. If real property is acquired subject to a lease, the term of such lease shall be considered to begin on the date of such acquisition. No lease shall be considered an Article 1 lease if (A) such lease is entered into primarily for purposes which are substantially related (aside Computation of lease term

from the need of such organization for income or funds or the use it makes of the rents derived) to the exercise or performance by such trust of its charitable, educational, or other purpose or function under Section 17734, or (B) the lease is of premises in a building primarily designed for occupancy, and occupied, by the trust. If a lease for more than five years to a tenant is for only a portion of the real property, and space in the real property is rented during the taxable year under a lease for not more than five years to any other tenant of the trust, leases of the real property for more than five years shall be considered as Article 1 leases during the taxable year only if—

(a) The rents derived from the real property during the taxable year under such leases represent 50 per centum or more of the total rents derived during the taxable year from the real property; or the area of the premises occupied under such leases represents, at any time during the taxable year, 50 per centum or more of the total area of the real property rented at such time; or

(b) The rent derived from the real property during the taxable year from any tenant under such a lease, or from a group of tenants (under such leases) who are partners, represents more than 10 per centum of the total rents derived during the taxable year from such property; or the area of the premises occupied by any one such tenant, or by any such group of tenants, represents at any time during the taxable year more than 10 per centum of the total area of the real property rented at such time.

“Article 1
lease in-
debtedness”

17647. The term “Article 1 lease indebtedness” means, with respect to any real property leased for a term of more than five years, the unpaid amount of—

(a) The indebtedness incurred by the lessor in acquiring or improving such property;

(b) The indebtedness incurred prior to the acquisition or improvement of such property if such indebtedness would not have been incurred but for such acquisition or improvement; and

(c) The indebtedness incurred subsequent to the acquisition or improvement of such property if such indebtedness would not have been incurred but for such acquisition or improvement and the incurrence of such indebtedness was reasonably foreseeable at the time of such acquisition or improvement.

Realty
acquired
subject to
mortgage,
etc.

Where real property is acquired subject to a mortgage or other similar lien, the amount of the indebtedness secured by such mortgage or lien shall be considered (whether the acquisition was by gift, devise, or purchase) as an indebtedness of the lessor incurred in acquiring such property even though the lessor did not assume or agree to pay such indebtedness, except that where real property was acquired by a gift, bequest, or devise prior to January 1, 1951, subject to a mortgage or other similar lien, the amount of such

mortgage or other similar lien shall not be considered as an indebtedness of the lessor incurred in acquiring such property. Where real property was acquired by gift, bequest, or devise prior to January 1, 1951, subject to a lease requiring improvements in such property upon the happening of stated contingencies, indebtedness incurred in improving such property in accordance with the terms of such lease shall not be considered as an indebtedness for purposes of this section. In the case of a corporation described in Section 23701h of this code, all of the stock of which was acquired prior to January 1, 1951, by a trust described in Section 17734 (and more than one-third of such stock was acquired by such trust by gift or bequest), any indebtedness incurred by such corporation prior to January 1, 1951, and any indebtedness incurred by such corporation on or after such date in improving real property in accordance with the terms of a lease entered into prior to such date, shall not be considered as an indebtedness with respect to such trust for purposes of this section. In determining the amount of the Article 1 lease indebtedness where only a portion of the real property is subject to an Article 1 lease, proper allocation to the premises covered by such lease shall be made of the indebtedness incurred by the lessor with respect to the real property.

17648. For the purposes of this article, the term "real property" and the term "premises" include personal property of the lessor leased by it to a lessee of its real estate if the lease of such personal property is made under, or in connection with, the lease of such real estate.

"Real
property."
"premises"

17649. In computing under Sections 17632 to 17640, inclusive, the unrelated business taxable income for any taxable year—

Computation
of unrelated
business tax-
able income

(a) There shall be included with respect to each Article 1 lease, as an item of gross income derived from an unrelated trade or business, an amount which is the same percentage (but not in excess of 100 per centum) of the total rents derived during the taxable year under such lease as (1) the Article 1 lease indebtedness, at the close of the taxable year, with respect to the premises covered by such lease is of (2) the adjusted basis, at the close of the taxable year, of such premises.

(b) There shall be allowed with respect to each Article 1 lease, as a deduction to be taken into account in computing unrelated business taxable income, an amount which is the same percentage (but not in excess of 100 per centum) of the sum determined under subsection (c) as the amount determined under clause (1) of subsection (a) is of the amount determined under clause (2) of such subsection.

(c) The sum referred to in subsection (b) is the sum of the following deductions allowable under Article 6 of Chapter 3:

(1) Taxes and other expenses paid or accrued during the taxable year upon or with respect to the real property subject to the Article 1 lease.

(2) Interest paid or accrued during the taxable year on the Article 1 lease indebtedness.

(3) A reasonable allowance for exhaustion, wear and tear (including a reasonable allowance for obsolescence) of the real property subject to such lease.

Where only a portion of the real property is subject to the Article 1 lease, there shall be taken into account under paragraph (1), (2), or (3) only those amounts which are properly allocable to the premises covered by such lease.

Article 2. Deductions: Computation of Taxable Income

Computation
of trust
taxable
income

17651. Except as otherwise provided in this article as to deductions, the taxable income of the trust shall be computed in the same manner and on the same basis as in the case of an individual.

Charitable
contribu-
tions

17652. In the case of any trust described in Section 17734, the so-called "charitable contribution" deduction allowed by Section 17734 shall be allowed (whether or not directly connected with the carrying on of the trade or business), and for such purpose a distribution made by the trust to a beneficiary described in Section 17734 shall be considered as a gift or contribution. The deduction allowed by this section shall not exceed 20 per centum of the unrelated business taxable income computed without the benefit of this section.

Trust as
member of
partnership

17653. If a trade or business regularly carried on by a partnership of which a trust is a member is an unrelated trade or business with respect to such trust, such trust in computing its unrelated business net income shall, subject to the exceptions, additions, and limitations contained in Sections 17633 through 17640 include its share (whether or not distributed) of the gross income of the partnership from such unrelated trade or business and its share of the partnership deductions directly connected with such gross income. If the taxable year of the trust is different from that of the partnership, the amounts to be so included or deducted in computing the unrelated business net income shall be based upon the income and deductions of the partnership for any taxable year of the partnership (whether beginning on, before, or after January 1, 1951) ending within or with the taxable year of the trust.

"Unrelated
trade or
business"

17654. The term "unrelated trade or business" means, in the case of any trust subject to the tax imposed by Article 1, any trade or business the conduct of which is not substantially related (aside from the need of such trust for income or funds or the use it makes of the profits derived) to the exercise or performance by such trust of its charitable, educational, or other purpose or function, except that such term shall not include any trade or business—

(a) In which substantially all the work in carrying on such trade or business is performed for the trust without compensation; or

(b) Which is carried on by the trust primarily for the convenience of its members, students, patients, officers, or employees; or

(c) Which is the selling of merchandise, substantially all of which has been received by the organization as gifts or contributions.

The term "unrelated trade or business" means, in the case of a trust computing its unrelated business taxable income under this section for the purposes of Section 17655, any trade or business regularly carried on by such trust or by a partnership of which it is a member.

17655. In computing the deduction allowable under Section 17734 to a trust for any taxable year beginning after December 31, 1950, no amount otherwise allowable under Section 17734 as a deduction shall be allowed as a deduction with respect to income of the taxable year which is allocable to its unrelated business income for such year. As used in this article the term "unrelated business income" means an amount equal to the amount which, if such trust were one described in Section 17734, would be computed as its unrelated business taxable income under Sections 17632 to 17640, inclusive, 17646, 17647, and 17648 (relating to income derived from certain business activities and from certain leases).

Disallowance
of Section
17734
deduction

Article 3. Common Trust Funds

17671. For purposes of this part, the term "common trust fund" means a fund maintained by a bank—

"Common
trust fund"

(a) Exclusively for the collective investment and reinvestment of moneys contributed thereto by the bank in its capacity as a trustee, executor, administrator, or guardian; and

(b) In conformity with the rules and regulations, prevailing from time to time, of the Board of Governors of the Federal Reserve System pertaining to the collective investment of trust funds by national banks; or

(c) A fund established and operated in accordance with the provisions of the Bank Act by a trust company, bank, or other corporation qualified under the Bank Act to engage in the trust business in California.

17672. A common trust fund shall not be subject to taxation under this part and for the purposes of the Bank and Corporation Tax Law shall not be considered a corporation.

Not subject
to taxation

17673. (a) Each participant in the common trust fund in computing its taxable income shall include, whether or not distributed and whether or not distributable—

Taxable
income of
participants

(1) As part of its capital gains or losses, its proportionate share of the net capital gains or losses of the common trust fund;

(2) Its proportionate share of the ordinary taxable income or the ordinary net loss of the common trust fund, computed as provided in Section 17674.

(b) The appropriate or proportionate share of any participant in any income of a common trust fund which would not be taxable by this State or which this State would be prohibited from taxing by the Constitution of this State or of the United States if received directly by the participants shall not be taxable to the recipients of such income.

Computation
of taxable
income

17674. The taxable income of a common trust fund shall be computed in the same manner and on the same basis as in the case of an individual, except that—

(a) There shall be segregated the capital gains or losses, and the net capital gain shall be computed in accordance with the provisions of Section 18151 and other applicable provisions of this code.

(b) After excluding all items of capital gain or loss, there shall be computed—

(1) An ordinary taxable income which shall consist of the excess of the gross income over deductions; or

(2) An ordinary net loss which shall consist of the excess of the deductions over the gross income;

(c) The deductions provided by Section 17214 (relating to charitable, etc., contributions and gifts) shall not be allowed; and

(d) The standard deduction provided in Section 17171 shall not be allowed.

Admission or
withdrawal
of par-
ticipants

17675. No gain or loss shall be realized by the common trust fund by the admission or withdrawal of a participant. The withdrawal of any participating interest by a participant shall be treated as a sale or exchange of such interest by the participant, but any gain or loss realized thereby shall be adjusted by an amount equal to the net aggregate gain or loss previously included in computing such participant's net income under Section 17673(a)(1).

Taxable year
of common
trust fund
different
from
participant

17676. If the taxable year of the common trust fund is different from that of a participant, the inclusions with respect to the taxable income of the common trust fund, in computing the taxable income of the participant for its taxable year, shall be based upon the taxable income of the common trust fund for any taxable year of the common trust fund ending within or with the taxable year of the participant.

Tax return

17677. Every trust company operating a common trust fund shall make a return under penalties of perjury for each taxable year, stating specifically with respect to such fund the items of gross income and the deductions allowed by this article and shall include in the return information sufficient to identify the trusts and estates entitled to share in the taxable income of the common trust fund and the amount of the proportionate share of each such participant.

CHAPTER 8. NATURAL RESOURCES

Article 1. Deductions

17681. (a) In the case of mines, oil and gas wells, other natural deposits, and timber, there shall be allowed as a deduction in computing taxable income a reasonable allowance for depletion and for depreciation of improvements, according to the peculiar conditions in each case; such reasonable allowance in all cases to be made under regulations prescribed by the Franchise Tax Board. In any case in which it is ascertained as a result of operations or of development work that the recoverable units are greater or less than the prior estimate thereof, then such prior estimate (but not the basis for depletion) shall be revised and the allowance under this section for subsequent taxable years shall be based on such revised estimate.

Deductions
Depletion

(b)(1) In the case of a lease, the deduction under this section shall be equitably apportioned between the lessor and lessee.

(2) In the case of property held by one person for life with the remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant.

(3) In the case of property held in trust, the deduction under this section shall be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each.

(4) In the case of an estate, the deduction under this section shall be apportioned between the estate and the heirs, legatees, and devisees on the basis of the income of the estate allocable to each.

(c) For other rules applicable to depreciation of improvements, see Sections 17208 and 17209.

17682. The basis upon which depletion is to be allowed in respect of any property shall be the adjusted basis provided in Section 18041, for the purpose of determining the gain upon the sale or other disposition of such property, except as provided in the remainder of this article.

Basis

17683. In the case of mines (except mines in respect of which percentage depletion is allowable under Section 17687) discovered by the taxpayer after February 28, 1913, the basis for depletion shall be the fair market value of the property at the date of discovery or within 30 days thereafter, if such mines were not acquired as the result of purchase of a proven tract or lease, and if the fair market value of the property is materially disproportionate to the cost.

Same
Mines

17684. The depletion allowance under Section 17681 based on discovery value provided in Section 17683 shall not exceed

Depletion
allowance
limited

50 percent of the taxable income of the taxpayer (computed without allowance for depletion) from the property upon which the discovery was made, except that in no case shall the depletion allowance be less than it would be if computed without reference to discovery value.

Discovery,

17685. Discoveries shall include minerals in commercial quantities contained within a vein or deposit discovered in an existing mine or mining tract by the taxpayer after February 28, 1913, if the vein or deposit thus discovered was not merely the uninterrupted extension of a continuing commercial vein or deposit already known to exist, and if the discovered minerals are of sufficient value and quantity that they could be separately mined and marketed at a profit.

Oil and gas wells:
Percentage depletion

17686. In the case of oil and gas wells the allowance for depletion under Section 17681 shall be $27\frac{1}{2}$ percent of the gross income from the property during the taxable year, excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect of the property. The allowance shall not exceed 50 percent of the taxable income of the taxpayer (computed without allowance for depletion) from the property, except that in no case shall the depletion allowance be less than it would be if computed without reference to this section.

Mines
Percentage depletion

17687. The allowance for depletion under Section 17681 shall be:

(a) In the case of sand, gravel, slate, stone (including pumice and scoria), brick and tile clay, shale, oyster shell, clam shell, granite, marble, sodium chloride, and, if from brine wells, calcium chloride, magnesium chloride, and bromide, 5 percent;

(b) In the case of coal, asbestos, brucite, dolomite, magnesite, perlite, wollastonite, calcium carbonates, and magnesium carbonates, 10 percent;

(c) In the case of metal mines, aplite, bauxite, fluorspar, flake graphite, vermiculite, beryl, garnet, feldspar, mica, talc (including pyrophyllite), lepidolite, spodumene, barite, ball clay, sagger clay, china clay, phosphate rock, rock asphalt, trona, bentonite, gilsonite, thenardite, borax, fuller's earth, tripoli, refractory and fire clay, quartzite, diatomaceous earth, metallurgical grade limestone, chemical grade limestone, and potash, 15 percent;

(d) In the case of sulfur, 23 percent; of the gross income from the property during the taxable year, excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect of the property.

The allowance shall not exceed 50 percent of the taxable income of the taxpayer (computed without allowance for depletion) from the property except in no case shall the depletion allowance under Section 17681 be less than it would be if computed without reference to this section.

"Gross income from the property"

17688. As used in Section 17687, the term "gross income from the property" means the gross income from mining. The

term "mining," as used herein, shall be considered to include "Mining" not merely the extraction of the ores or minerals from the ground but also the ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products, and so much of the transportation of ores or minerals (whether or not by common carrier) from the point of extraction from the ground to the plants or mills in which the ordinary treatment processes are applied thereto as is not in excess of 50 miles unless the Franchise Tax Board finds that the physical and other requirements are such that the ore or mineral must be transported a greater distance to such plants or mills. The term "ordinary treatment processes," as used herein, shall include the following: (A) In the case of coal—cleaning, breaking, sizing, and loading for shipment; (B) in the case of sulphur—pumping to vats, cooling, breaking, and loading for shipment; (C) in the case of iron ore, bauxite, ball and sagger clay, rock asphalt, and minerals which are customarily sold in the form of a crude mineral product—sorting, concentrating, and sintering to bring to shipping grade and form, and loading for shipment; and (D) in the case of lead, zinc, copper, gold, silver, or fluorspar ores, potash, and ores which are not customarily sold in the form of the crude mineral product—crushing, grinding, and beneficiation by concentration (gravity, flotation, amalgamation, electrostatic, or magnetic), cyanidation, leaching, crystallization, precipitation (but not including as an ordinary treatment process electrolytic deposition, roasting, thermal or electric smelting, or refining), or by substantially equivalent processes or combination of processes used in the separation or extraction of the product or products from the ore, including the furnacing of quicksilver ores. "Ordinary treatment processes"

17689. (a) In the case of expenditures paid or incurred during the taxable year for the purpose of ascertaining the existence, location, extent, or quality of any deposit of ore or other mineral, and paid or incurred before the beginning of the development stage of the mine or deposit, there shall be allowed as a deduction in computing taxable income so much of such expenditures as does not exceed seventy-five thousand dollars (\$75,000). This section shall apply only with respect to the amount of such expenditures which, but for this section, would not be allowable as a deduction for the taxable year. This section shall not apply to expenditures for the acquisition or improvement of property of a character which is subject to the allowance for depreciation provided in Section 17208, but allowances for depreciation shall be considered, for purposes of this section, as expenditures paid or incurred. In no case shall this section apply with respect to amounts paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas. Mines Exploration expenses

(b) If the taxpayer elects, in accordance with regulations prescribed by the Franchise Tax Board, to treat as deferred Taxpayer's election

expenses any portion of the amount deductible for the taxable year under subsection (a), such portion shall not be deductible in the manner provided in subsection (a) but shall be deductible on a ratable basis as the units of produced ores or minerals discovered or explored by reason of such expenditures are sold. An election made under this subsection for any taxable year shall be binding for such year.

Limitation

(c) This section shall not apply to any amount paid or incurred in any taxable year if in any four preceding years a deduction or election under this section, or the corresponding provision of prior laws, has been allowed to, or exercised by—

(1) The taxpayer; or

(2) The individual or corporation who has transferred to the taxpayer any mineral property.

Paragraph (2) shall apply only if (A) the taxpayer was required to take into account under Section 17314.7 of the Personal Income Tax Law of 1954, the deduction allowed to or election exercised by such individual or corporation; or (B) the taxpayer acquired any mineral property under circumstances which make Section 17783, 18135, or Section 24552, 24553, 24575, 24577, 24988, 25404, or 29461 of the Bank and Corporation Tax Law apply to such transfer.

Adjusted
basis

(d) The amount of expenditures which are treated under subsection (b) as deferred expenses shall be taken into account in computing the adjusted basis of the mine or deposit, but such amounts, and the adjustments to basis provided in Section 18052(j) shall be disregarded in determining the adjusted basis of the property for the purpose of computing a deduction for depletion under Section 17681.

Mines:
Development
expenses

17690. (a) Except as provided in subsection (b), there shall be allowed as a deduction in computing taxable income all expenditures paid or incurred during the taxable year for the development of a mine or other natural deposit (other than an oil or gas well) if paid or incurred after the existence of ores or minerals in commercially marketable quantities has been disclosed. This section shall not apply to expenditures for the acquisition or improvement of property of a character which is subject to the allowance for depreciation provided in Sections 17208 and 17209, but allowances for depreciation shall be considered, for purposes of this section, as expenditures.

Taxpayer's
election

(b) At the election of the taxpayer, made in accordance with regulations prescribed by the Franchise Tax Board, expenditures described in subsection (a) paid or incurred during the taxable year shall be treated as deferred expenses and shall be deductible on a ratable basis as the units of produced ores or minerals benefited by such expenditures are sold. In the case of such expenditures paid or incurred during the development stage of the mine or deposit, the election shall apply only with respect to the excess of such expenditures during the taxable year over the net receipts during the taxable year from the ores or minerals produced from such mine or deposit. The election under this subsection, if made, must be for the total

amount of such expenditures, or the total amount of such excess, as the case may be, with respect to the mine or deposit, and shall be binding for such taxable year.

(c) The amount of expenditures which are treated under subsection (b) as deferred expenses shall be taken into account in computing the adjusted basis of the mine or deposit, except that such amount, and the adjustments to basis provided in Section 18052(i), shall be disregarded in determining the adjusted basis of the property for the purpose of computing a deduction for depletion under Section 17681. Adjusted basis

Article 2. Sales and Exchanges

17711. If the taxpayer so elects upon his return for a taxable year, the cutting of timber (for sale or for use in the taxpayer's trade or business) during such year by the taxpayer who owns, or has a contract right to cut, such timber (providing he has owned such timber or has held such contract right for a period of more than six months prior to the beginning of such year) shall be considered as a sale or exchange of such timber cut during such year. In case such election has been made, gain or loss to the taxpayer shall be recognized in an amount equal to the difference between the adjusted basis for depletion of such timber in the hands of the taxpayer and the fair market value of such timber. Such fair market value shall be the fair market value as of the first day of the taxable year in which such timber is cut, and shall thereafter be considered as the cost of such cut timber to the taxpayer for all purposes for which such cost is a necessary factor. If a taxpayer makes an election under this section such election shall apply with respect to all timber which is owned by the taxpayer or which the taxpayer has a contract right to cut and shall be binding upon the taxpayer for the taxable year for which the election is made and for all subsequent years, unless the Franchise Tax Board, on showing of undue hardship, permits the taxpayer to revoke his election; such revocation, however, shall preclude any further elections under this section except with the consent of the Franchise Tax Board. Timber cutting
Election to treat as sale or exchange

17712. In the case of the disposal of timber held for more than six months before such disposal, by the owner thereof under any form or type of contract by virtue of which such owner retains an economic interest in such timber, the difference between the amount realized from the disposal of such timber and the adjusted depletion basis thereof, shall be considered as though it were a gain or loss, as the case may be, on the sale of such timber. In determining the gross income, the adjusted gross income, or the taxable income of the lessee, the deductions allowable with respect to rents and royalties shall be determined without regard to the provisions of this section. The date of disposal of such timber shall be deemed to be the date such timber is cut, but if payment is made to the owner under the contract before such timber is cut the owner may Disposal of timber with retained economic interest

elect to treat the date of such payment as the date of disposal of such timber. For purposes of this section, the term "owner" means any person who owns an interest in such timber, including a sublessor and a holder of a contract to cut timber.

CHAPTER 9. ESTATES, TRUSTS, BENEFICIARIES, AND DECEDENTS

Article 1. General Rules for Taxation of Estates and Trusts

Taxation of
estates and
trusts
Income
includible

17731. (a) The taxes imposed by this part on individuals shall apply to the taxable income of estates or of any kind of property held in trust, including—

(1) Income accumulated in trust for the benefit of unborn or unascertained persons or persons with contingent interests, and income accumulated or held for future distribution under the terms of the will or trust;

(2) Income which is to be distributed currently by the fiduciary to the beneficiaries, and income collected by a guardian of an infant which is to be held or distributed as the court may direct;

(3) Income received by estates of deceased persons during the period of administration or settlement of the estate; and

(4) Income which, in the discretion of the fiduciary, may be either distributed to the beneficiaries or accumulated.

(b) The taxable income of an estate or trust shall be computed in the same manner as in the case of an individual, except as otherwise provided in this chapter. The tax shall be computed on such taxable income and shall be paid by the fiduciary.

Deduction
Personal
exemption

17733. An estate shall be allowed a deduction of one thousand dollars (\$1,000). A trust shall be allowed a deduction of one hundred dollars (\$100); provided, that if the amount of tax otherwise due under this part after applying said deduction is less than one dollar (\$1) the amount of the deduction shall be the taxable income of the trust, but in no event shall such deduction exceed two hundred dollars (\$200). The deductions allowed by this section shall be in lieu of the deductions allowed under Section 17181 (relating to deduction for personal exemption).

Same:
Charitable
contribu-
tions

17734. In the case of an estate or trust (other than a trust meeting the specifications of Article 2) there shall be allowed as a deduction in computing its taxable income (in lieu of the deductions allowed by Section 17214, relating to deduction for charitable, etc., contributions and gifts) any amount of the gross income, without limitation, which pursuant to the terms of the governing instrument is, during the taxable year, paid or permanently set aside for a purpose specified in Section 17214, or is to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, or for the establish-

ment, acquisition, maintenance or operation of a public cemetery not operated for profit. In the case of a trust, the deduction allowed by this section shall be subject to Sections 17811 to 17818, inclusive (relating to unrelated business income and prohibited transactions).

17735. An estate or trust shall be allowed the deduction for depreciation and depletion only to the extent not allowable to beneficiaries under Sections 17208 and 17681(b). Same:
Depreciation
and
depletion

17736. The benefit of the deductions for amortization of emergency facilities provided by Section 17208 shall be allowed to estates and trusts in the same manner as in the case of an individual. The allowable deduction shall be apportioned between the income beneficiaries and the fiduciary under regulations prescribed by the Franchise Tax Board. Amortiza-
tion of
emergency
facilities

17737. If on the termination of an estate or trust, the estate or trust has for the last taxable year of the estate or trust deductions (other than the deductions allowed under Section 17733 or 17734) in excess of gross income for such year, then such carryover or such excess shall be allowed as a deduction, in accordance with regulations prescribed by the Franchise Tax Board, to the beneficiaries succeeding to the property of the estate or trust. Termination
of estate,
etc. Unused
loss carry-
overs and
excess
deductions

17738. For disallowance of standard deduction in case of estates and trusts see Section 17172. Disallowance
of standard
deduction

17739. For purposes of this chapter, the term "distributable net income" means, with respect to any taxable year, the taxable income of the estate or trust computed with the following modifications: "Distribut-
able net
income"

(a) No deduction shall be taken under Sections 17751 and 17761 (relating to additional deductions).

(b) No deduction shall be taken under Section 17733 (relating to deduction for personal exemptions).

(c) Gains from the sale or exchange of capital assets shall be excluded to the extent that such gains are allocated to corpus and are not (1) paid, credited, or required to be distributed to any beneficiary during the taxable year, or (2) paid, permanently set aside, or to be used for the purposes specified in Section 17734. Losses from the sale or exchange of capital assets shall be excluded, except to the extent such losses are taken into account in determining the amount of gains from the sale or exchange of capital assets which are paid, credited, or required to be distributed to any beneficiary during the taxable year.

(d) For purposes only of Article 2 (relating to trusts which distribute current income only), there shall be excluded those items of gross income constituting extraordinary dividends or taxable stock dividends which the fiduciary, acting in good faith, does not pay or credit to any beneficiary by reason of his determination that such dividends are allocable to corpus under the terms of the governing instrument and applicable local law.

(e) There shall be included any tax-exempt interest to which Section 17137 applies, reduced by any amounts which would be deductible in respect of disbursements allocable to such interest but for the provisions of Section 17285 (relating to disallowance of certain deductions).

If the estate or trust is allowed a deduction under Section 17734, the amount of the modification specified in subsection (e) shall be reduced to the extent that the amount of income which is paid, permanently set aside, or to be used for the purposes specified in Section 17734 is deemed to consist of items specified in subsection (e). For this purpose, such amount shall (in the absence of specific provisions in the governing instrument) be deemed to consist of the same proportion of each class of items of income of the estate or trust as the total of each class bears to the total of all classes.

“Income” 17740. For purposes of this article and Articles 2, 3, and 4, the term “income,” when not preceded by the words “taxable,” “distributable net,” “undistributed net,” or “gross,” means the amount of income of the estate or trust for the taxable year determined under the terms of the governing instrument and applicable local law. Items of gross income constituting extraordinary dividends or taxable stock dividends which the fiduciary, acting in good faith, determines to be allocable to corpus under the terms of the governing instrument and applicable local law shall not be considered income.

“Beneficiary” 17741. For purposes of Articles 1 to 6, inclusive, the term “beneficiary” includes heir, legatee, devisee.

Income of estate or trust
Taxability 17742. Except as otherwise provided in Articles 1 to 6, inclusive, of this chapter, the income of an estate or trust is taxable to the estate or trust. The tax applies to the entire taxable income of an estate, if the decedent was a resident, regardless of the residence of the fiduciary or beneficiary, and to the entire taxable income of a trust, if the fiduciary or beneficiary is a resident, regardless of the residence of the settlor.

Residence of
fiduciary 17743. Where the taxability of income under Articles 1 to 6, inclusive, of this chapter depends on the residence of the fiduciary and there are two or more fiduciaries for the trust, the income taxable under Section 17742 shall be apportioned according to the number of fiduciaries resident in this State pursuant to rules and regulations prescribed by the Franchise Tax Board.

Residence of
beneficiary 17744. Where the taxability of income under Articles 1 to 6, inclusive, of this chapter depends on the residence of the beneficiary and there are two or more beneficiaries of the trust, the income taxable under Section 17742 shall be apportioned according to the number and interest of beneficiaries resident in this State pursuant to rules and regulations prescribed by the Franchise Tax Board.

Liability of
beneficiaries 17745. If, for any reason, the taxes imposed on income of a trust which is taxable to the trust because the fiduciary or beneficiary is a resident of this State are not paid when due

and remain unpaid when such income is distributable to the beneficiaries, or in case the income is distributable to the beneficiaries before the taxes are due, if the taxes are not paid when due, such income shall be taxable to the beneficiaries when distributable to them except that in the case of non-resident beneficiaries such income shall be taxable only to the extent it is derived from sources within this State.

Article 2. Trusts Which Distribute Current Income Only

17751. (a) In the case of any trust the terms of which— Deduction of amounts currently distributable
(1) Provide that all of its income is required to be distributed currently; and

(2) Do not provide that any amounts are to be paid, permanently set aside, or used for the purposes specified in Section 17734 (relating to deduction for charitable, etc., purposes),

there shall be allowed as a deduction in computing the taxable income of the trust the amount of the income for the taxable year which is required to be distributed currently. This section shall not apply in any taxable year in which the trust distributes amounts other than amounts of income described in paragraph (1).

(b) If the amount of income required to be distributed currently exceeds the distributable net income of the trust for the taxable year, the deduction shall be limited to the amount of the distributable net income. For this purpose, the computation of distributable net income shall not include items of income which are not included in the gross income of the trust and the deductions allocable thereto. Limitation

17752. (a) Subject to subsection (b), the amount of income for the taxable year required to be distributed currently by a trust described in Section 17751 shall be included in the gross income of the beneficiaries to whom the income is required to be distributed, whether distributed or not. If such amount exceeds the distributable net income, there shall be included in the gross income of each beneficiary an amount which bears the same ratio to distributable net income as the amount of income required to be distributed to such beneficiary bears to the amount of income required to be distributed to all beneficiaries. Inclusions in beneficiaries' gross income

(b) The amounts specified in subsection (a) shall have the same character in the hands of the beneficiary as in the hands of the trust. For this purpose, the amounts shall be treated as consisting of the same proportion of each class of items entering into the computation of distributable net income of the trust as the total of each class bears to the total distributable net income of the trust, unless the terms of the trust specifically allocate different classes of income to different beneficiaries. In the application of the preceding sentence, the items of deduction entering into the computation of distributable net income shall be allocated among the items of distrib-

utable net income in accordance with regulations prescribed by the Franchise Tax Board.

(c) If the taxable year of a beneficiary is different from that of the trust, the amount which the beneficiary is required to include in gross income in accordance with the provisions of this section shall be based upon the amount of income of the trust for any taxable year or years of the trust ending within or with his taxable year.

(d) In the case of a nonresident beneficiary income derived through such a trust is taxable only to the extent it is derived from sources within this State.

Article 3. Estates or Trusts Which May Accumulate Income or Which Distribute Corpus

Deduction
for estates,
etc., which
accumulate
income or
distribute
corpus

17761. (a) In any taxable year there shall be allowed as a deduction in computing the taxable income of an estate or trust (other than a trust to which Article 2 applies), the sum of—

(1) Any amount of income for such taxable year required to be distributed currently (including any amount required to be distributed which may be paid out of income or corpus to the extent such amount is paid out of income for such taxable year); and

(2) Any other amounts properly paid or credited or required to be distributed for such taxable year;
but such deduction shall not exceed the distributable net income of the estate or trust.

(b) The amount determined under subsection (a) shall be treated as consisting of the same proportion of each class of items entering into the computation of distributable net income of the estate or trust as the total of each class bears to the total distributable net income of the estate or trust in the absence of the allocation of different classes of income under the specific terms of the governing instrument. In the application of the preceding sentence, the items of deduction entering into the computation of distributable net income (including the deduction allowed under Section 17733) shall be allocated among the items of distributable net income in accordance with regulations prescribed by the Franchise Tax Board.

(c) No deduction shall be allowed under subsection (a) in respect of any portion of the amount allowed as a deduction under that subsection (without regard to this subsection) which is treated under subsection (b) as consisting of any item of distributable net income which is not included in the gross income of the estate or trust.

Inclusions in
beneficiaries'
gross income

17762. Subject to Section 17763, there shall be included in the gross income of a beneficiary to whom an amount specified in Section 17761(a) is paid, credited, or required to be distributed (by an estate or trust described in Section 17761), the sum of the following amounts:

(a) The amount of income for the taxable year required to be distributed currently to such beneficiary, whether distrib-

uted or not. If the amount of income required to be distributed currently to all beneficiaries exceeds the distributable net income (computed without the deduction allowed by Section 17734, relating to deduction for charitable, etc., purposes) of the estate or trust, then, in lieu of the amount provided in the preceding sentence, there shall be included in the gross income of the beneficiary an amount which bears the same ratio to distributable net income (as so computed) as the amount of income required to be distributed currently to such beneficiary bears to the amount required to be distributed currently to all beneficiaries. For purposes of this section, the phrase "the amount of income for the taxable year required to be distributed currently" includes any amount required to be paid out of income or corpus to the extent such amount is paid out of income for such taxable year.

(b) All other amounts properly paid, credited, or required to be distributed to such beneficiary for the taxable year. If the sum of—

(1) The amount of income for the taxable year required to be distributed currently to all beneficiaries; and

(2) All other amounts properly paid, credited, or required to be distributed to all beneficiaries

exceeds the distributable net income of the estate or trust, then, in lieu of the amount provided in the preceding sentence, there shall be included in the gross income of the beneficiary an amount which bears the same ratio to distributable net income (reduced by the amounts specified in (1)) as the other amounts properly paid, credited, or required to be distributed to the beneficiary bear to the other amounts properly paid, credited, or required to be distributed to all beneficiaries.

(c) In the case of a nonresident beneficiary income derived through such an estate or trust is taxable only to the extent it is derived from sources within this State.

17763. The amounts determined under Section 17762 shall have the same character in the hands of the beneficiary as in the hands of the estate or trust. For this purpose, the amounts shall be treated as consisting of the same proportion of each class of items entering into the computation of distributable net income as the total of each class bears to the total distributable net income of the estate or trust unless the terms of the governing instrument specifically allocate different classes of income to different beneficiaries. In the application of the preceding sentence, the items of deduction entering into the computation of distributable net income (including the deduction allowed under Section 17734) shall be allocated among the items of distributable net income in accordance with regulations prescribed by the Franchise Tax Board. In the application of this section to the amount determined under Section 17762(a), distributable net income shall be computed without regard to any portion of the deduction under Section 17734 which is not attributable to income of the taxable year.

Character
of amounts
paid

Different
taxable years

17764. If the taxable year of a beneficiary is different from that of the estate or trust, the amount to be included in the gross income of the beneficiary shall be based on the distributable net income of the estate or trust and the amounts properly paid, credited, or required to be distributed to the beneficiary during any taxable year or years of the estate or trust ending within or with his taxable year.

Exclusions

17765. There shall not be included as amounts falling within Section 17761 or 17762—

(a) Any amount which, under the terms of the governing instrument, is properly paid or credited as a gift or bequest of a specific sum of money or of specific property and which is paid or credited all at once or in not more than three installments. For this purpose an amount which can be paid or credited only from the income of the estate or trust shall not be considered as a gift or bequest of a specific sum of money.

(b) Any amount paid or permanently set aside or otherwise qualifying for the deduction provided in Section 17734 (computed without regard to Sections 17811 to 17818, inclusive).

(c) Any amount paid, credited, or distributed in the taxable year, if Section 17751 or Section 17761 applied to such amount for a preceding taxable year of an estate or trust because credited or required to be distributed in such preceding taxable year.

Separate
shares
treated as
separate
trusts

17767. For the sole purpose of determining the amount of distributable net income in the application of Sections 17761 and 17762 to 17764, inclusive, in the case of a single trust having more than one beneficiary, substantially separate and independent shares of different beneficiaries in the trust shall be treated as separate trusts. The existence of such substantially separate and independent shares and the manner of treatment as separate trusts, including the application of Article 4, shall be determined in accordance with regulations prescribed by the Franchise Tax Board.

Article 4. Treatment of Excess Distributions by Trusts

"Undis-
tributed
net income"

17771. (a) For purposes of this article, the term "undistributed net income" for any taxable year means the amount by which distributable net income of the trust for such taxable year exceeds the sum of—

(1) The amounts for such taxable year specified in paragraphs (1) and (2) of Section 17761(a); and

(2) The amount of taxes imposed on the trust.

"Accum-
ulation
distribu-
tion"

(b) For purposes of this article, the term "accumulation distribution" for any taxable year of the trust means the amount (if in excess of two thousand dollars (\$2,000)) by which the amounts specified in paragraph (2) of Section 17761(a) for such taxable year exceed distributable net income reduced by the amounts specified in paragraph (1) of Section 17761(a). For purposes of this subsection, the amount

specified in paragraph (2) of Section 17761(a) shall be determined without regard to Sections 17772 to 17774, inclusive, and shall not include—

(1) Amounts paid, credited, or required to be distributed to a beneficiary as income accumulated before the birth of such beneficiary or before such beneficiary attains the age of 21;

(2) Amounts properly paid or credited to a beneficiary to meet the emergency needs of such beneficiary;

(3) Amounts properly paid or credited to a beneficiary upon such beneficiary's attaining a specified age or ages if—

(A) The total number of such distributions cannot exceed four with respect to such beneficiary,

(B) The period between each such distribution to such beneficiary is four years or more; and

(C) As of January 1, 1954, such distributions are required by the specific terms of the governing instrument; and

(4) Amounts properly paid or credited to a beneficiary as a final distribution of the trust if such final distribution is made more than nine years after the date of the last transfer to such trust.

(c) For purposes of this article, the term "taxes imposed on the trust" means the amount of the taxes which are imposed for any taxable year on the trust under this part (without regard to this article) and which, under regulations prescribed by the Franchise Tax Board, are properly allocable to the undistributed portion of the distributable net income. The amount determined in the preceding sentence shall be reduced by any amount of such taxes allowed, under Sections 17775, 17776, and 17777, as a credit to any beneficiary on account of any accumulation distribution determined for any taxable year.

"Taxes
imposed
on the
trust"

(d) For purposes of this article, the term "preceding taxable year" does not include any taxable year of the trust to which Articles 1 to 6, inclusive, do not apply. In the case of a preceding taxable year with respect to which a trust qualifies (without regard to this article) under the provisions of Article 2, for purposes of the application of this article to such trust for such taxable year, such trust shall, in accordance with regulations prescribed by the Franchise Tax Board, be treated as a trust to which Article 3 applies.

"Preceding
taxable
year"

17772. In the case of a trust which for a taxable year beginning after December 31, 1954, is subject to Article 3, the amount of the accumulation distribution of such trust for such taxable year shall be deemed to be an amount within the meaning of paragraph (2) of Section 17761(a) distributed on the last day of each of the five preceding taxable years to the extent that such amount exceeds the total of any undistributed net incomes for any taxable years intervening between the taxable year with respect to which the accumulation distribution is determined and such preceding taxable year. The amount deemed to be distributed in any such pre-

Accumulation
distribution
allocated to
five preceding
years

ceding taxable year under the preceding sentence shall not exceed the undistributed net income of such preceding taxable year. For purposes of this section, undistributed net income for each of such five preceding taxable years shall be computed without regard to such accumulation distribution and without regard to any accumulation distribution determined for any succeeding taxable year.

Total taxes
deemed
distributed

17773. If any portion of an accumulation distribution for any taxable year is deemed under Section 17772 to be an amount within the meaning of paragraph (2) of Section 17761(a) distributed on the last day of any preceding taxable year, and such portion of such accumulation distribution is not less than the undistributed net income for such preceding taxable year, the trust shall be deemed to have distributed on the last day of such preceding taxable year an additional amount within the meaning of paragraph (2) of Section 17761(a). Such additional amount shall be equal to the taxes imposed on the trust for such preceding taxable year. For purposes of this section, the undistributed net income and the taxes imposed on the trust for such preceding taxable year shall be computed without regard to such accumulation distribution and without regard to any accumulation distribution determined for any succeeding taxable year.

Pro-rata
portion of
taxes
deemed
distributed

17774. If any portion of an accumulation distribution for any taxable year is deemed under Section 17772 to be an amount within the meaning of paragraph (2) of Section 17761(a) distributed on the last day of any preceding taxable year and such portion of the accumulation distribution is less than the undistributed net income for such preceding taxable year, the trust shall be deemed to have distributed on the last day of such preceding taxable year an additional amount within the meaning of paragraph (2) of Section 17761(a). Such additional amount shall be equal to the taxes imposed on the trust for such taxable year multiplied by the ratio of the portion of the accumulation distribution to the undistributed net income of the trust for such year. For purposes of this section, the undistributed net income and the taxes imposed on the trust for such preceding taxable year shall be computed without regard to the accumulation distribution and without regard to any accumulation distribution determined for any succeeding taxable year.

Denial of
refund of
trusts

17775. The amount of taxes imposed on the trust under this part, which would not have been payable by the trust for any preceding taxable year had the trust in fact made distributions at the times and in the amounts deemed under Sections 17772 to 17774, inclusive, shall not be refunded or credited to the trust, but shall be allowed as a credit under Section 17777 against the tax of the beneficiaries who are treated as having received the distributions. For purposes of the preceding sentence, the amount of taxes which may not be refunded or credited to the trust shall be an amount equal to the excess of (1) the taxes imposed on the trust for any preceding taxable

year (computed without regard to the accumulation distribution for the taxable year) over (2) the amount of taxes for such preceding taxable year imposed on the undistributed portion of distributable net income of the trust for such preceding taxable year after the application of this article on account of the accumulation distribution determined for such taxable year.

17776. The total of the amounts which are treated under Sections 17772 to 17774, inclusive, as having been distributed by the trust in a preceding taxable year shall be included in the income of a beneficiary or beneficiaries of the trust when paid, credited, or required to be distributed to the extent that such total would have been included in the income of such beneficiary or beneficiaries under Sections 17762(b) and 17763 if such total had been paid to such beneficiary or beneficiaries on the last day of such preceding taxable year. The portion of such total included under the preceding sentence in the income of any beneficiary shall be based upon the same ratio as determined under the second sentence of Section 17762(b) for the taxable year in respect of which the accumulation distribution is determined, except that proper adjustment of such ratio shall be made, in accordance with regulations prescribed by the Franchise Tax Board, for amounts which fall within paragraphs (1) through (4) of Section 17771(b). The tax of the beneficiaries attributable to the amounts treated as having been received on the last day of such preceding taxable year of the trust shall not be greater than the aggregate of the taxes attributable to those amounts had they been included in the gross income of the beneficiaries on such day in accordance with Sections 17762(b) and 17763.

Treatment
of amounts
deemed
distributed
in preced-
ing years

17777. The tax imposed on beneficiaries under this part shall be credited with a pro rata portion of the taxes imposed on the trust under this part for such preceding taxable year which would not have been payable by the trust for such preceding taxable year had the trust in fact made distributions to such beneficiaries at the times and in the amounts specified in Sections 17772 to 17774, inclusive.

Credit for
taxes paid
by trust

Article 5. Grantor and Others Treated as Substantial Owners

17781. Where it is specified in this article that the grantor or another person shall be treated as the owner of any portion of a trust, there shall then be included in computing the taxable income and credits of the grantor or the other person those items of income, deductions, and credits against tax of the trust which are attributable to that portion of the trust to the extent that such items would be taken into account under this part in computing taxable income or credits against the tax of an individual. Any remaining portion of the trust shall be subject to Articles 1 through 4. No items of a trust shall be included in computing the taxable income and credits of the

Grantor or
others
treated as
owner
of trust

grantor or of any other person solely on the grounds of his dominion and control over the trust under Section 17071 (relating to definition of gross income) or any other provision of this part, except as specified in this article.

"Adverse party"

17782. (a) For purposes of this article, the term "adverse party" means any person having a substantial beneficial interest in the trust which would be adversely affected by the exercise or nonexercise of the power which he possesses respecting the trust. A person having a general power of appointment over the trust property shall be deemed to have a beneficial interest in the trust.

"Nonadverse party"

(b) For purposes of this article, the term "nonadverse party" means any person who is not an adverse party.

"Related or subordinate party"

(c) For purposes of this article, the term "related or subordinate party" means any nonadverse party who is—

(1) The grantor's spouse if living with the grantor;

(2) Any one of the following: The grantor's father, mother, issue, brother or sister; an employee of the grantor; a corporation or any employee of a corporation in which the stock holdings of the grantor and the trust are significant from the viewpoint of voting control; a subordinate employee of a corporation in which the grantor is an executive.

For purposes of Sections 17784 to 17787, inclusive, and 17788, a related or subordinate party shall be presumed to be subservient to the grantor in respect of the exercise or nonexercise of the powers conferred on him unless such party is shown not to be subservient by a preponderance of the evidence.

Conditions precedent to exercise of power

(d) A person shall be considered to have a power described in this article even though the exercise of the power is subject to a precedent giving of notice or takes effect only on the expiration of a certain period after the exercise of the power.

Grantor treated as owner
Reversionary interest

17783. (a) The grantor shall be treated as the owner of any portion of a trust in which he has a reversionary interest in either the corpus or the income therefrom if, as of the inception of that portion of the trust, the interest will or may reasonably be expected to take effect in possession or enjoyment within 10 years commencing with the date of the transfer of that portion of the trust.

(b) Subsection (a) shall not apply to the extent that the income of a portion of a trust in which the grantor has a reversionary interest is, under the terms of the trust, irrevocably payable for a period of at least two years (commencing with the date of the transfer) to a designated beneficiary, which beneficiary is of a type described in Section 17214(b).

(c) The grantor shall not be treated under subsection (a) as the owner of any portion of a trust where his reversionary interest in such portion is not to take effect in possession or enjoyment until the death of the person or persons to whom the income therefrom is payable.

(d) Any postponement of the date specified for the reacquisition of possession or enjoyment of the reversionary interest shall be treated as a new transfer in trust commencing with the date prescribed by the postponement. However, income for any period shall not be included in the income of the grantor by reason of the preceding sentence if such income would not be so includible in the absence of such postponement.

17784. The grantor shall be treated as the owner of any portion of a trust in respect of which the beneficial enjoyment of the corpus or the income therefrom is subject to a power of disposition, exercisable by the grantor or a nonadverse party, or both, without the approval or consent of any adverse party. Power to control beneficial enjoyment

17785. Section 17784 shall not apply to the following Exceptions powers regardless of by whom held:

(a) A power described in Section 17791 to the extent that the grantor would not be subject to tax under that section.

(b) A power, the exercise of which can only affect the beneficial enjoyment of the income for a period commencing after the expiration of a period such that a grantor would not be treated as the owner under Section 17783 if the power were a reversionary interest; but the grantor may be treated as the owner after the expiration of the period unless the power is relinquished.

(c) A power exercisable only by will, other than a power in the grantor to appoint by will the income of the trust where the income is accumulated for such disposition by the grantor or may be so accumulated in the discretion of the grantor or a nonadverse party, or both, without the approval or consent of any adverse party.

(d) A power to determine the beneficial enjoyment of the corpus or the income therefrom if the corpus or income is irrevocably payable for a purpose specified in Section 17214 (relating to definition of charitable contributions).

(e) A power to distribute corpus either—

(1) To or for a beneficiary or beneficiaries or to or for a class of beneficiaries (whether or not income beneficiaries) provided that the power is limited by a reasonably definite standard which is set forth in the trust instrument; or

(2) To or for any current income beneficiary, provided that the distribution of corpus must be chargeable against the proportionate share of corpus held in trust for the payment of income to the beneficiary as if the corpus constituted a separate trust.

A power does not fall within the powers described in this subsection if any person has a power to add to the beneficiary or beneficiaries or to a class of beneficiaries designated to receive the income or corpus, except where such action is to provide for after-born or after-adopted children.

(f) A power to distribute or apply income to or for any current income beneficiary or to accumulate the income for

him, provided that any accumulated income must ultimately be payable—

(1) To the beneficiary from whom distribution or application is withheld, to his estate, or to his appointees (or persons named as alternate takers in default of appointment) provided that such beneficiary possesses a power of appointment which does not exclude from the class of possible appointees any person other than the beneficiary, his estate, his creditors, or the creditors of his estate, or

(2) On termination of the trust, or in conjunction with a distribution of corpus which is augmented by such accumulated income, to the current income beneficiaries in shares which have been irrevocably specified in the trust instrument.

Accumulated income shall be considered so payable although it is provided that if any beneficiary does not survive a date of distribution which could reasonably have been expected to occur within the beneficiary's lifetime, the share of the deceased beneficiary is to be paid to his appointees or to one or more designated alternate takers (other than the grantor or the grantor's estate) whose shares have been irrevocably specified. A power does not fall within the powers described in this subsection if any person has a power to add to the beneficiary or beneficiaries or to a class of beneficiaries designated to receive the income or corpus except where such action is to provide for after-born or after-adopted children.

(g) A power exercisable only during—

(1) The existence of a legal disability of any current income beneficiary; or

(2) The period during which any income beneficiary shall be under the age of 21 years,

to distribute or apply income to or for such beneficiary or to accumulate and add the income to corpus. A power does not fall within the powers described in this subsection if any person has a power to add to the beneficiary or beneficiaries or to a class of beneficiaries designated to receive the income or corpus, except where such action is to provide for after-born or after-adopted children.

(h) A power to allocate receipts and disbursements as between corpus and income, even though expressed in broad language.

Same
Power exer-
cisable by
independent
trustee

17786. Section 17784 shall not apply to a power solely exercisable (without the approval or consent of any other person) by a trustee or trustees, none of whom is the grantor, and no more than half of whom are related or subordinate parties who are subservient to the wishes of the grantor—

(a) To distribute, apportion, or accumulate income to or for a beneficiary or beneficiaries, or to, for, or within a class of beneficiaries; or

(b) To pay out corpus to or for a beneficiary or beneficiaries or to or for a class of beneficiaries (whether or not income beneficiaries).

A power does not fall within the powers described in this section if any person has a power to add to the beneficiary or beneficiaries or to a class of beneficiaries designated to receive the income or corpus, except where such action is to provide for after-born or after-adopted children.

17787. Section 17784 shall not apply to a power solely exercisable (without the approval or consent of any other person) by a trustee or trustees, none of whom is the grantor or spouse living with the grantor, to distribute, apportion, or accumulate income to or for a beneficiary or beneficiaries, or to, for, or within a class of beneficiaries, whether or not the conditions of Section 17785(f) or (g) are satisfied, if such power is limited by a reasonably definite external standard which is set forth in the trust instrument. A power does not fall within the powers described in this section if any person has a power to add to the beneficiary or beneficiaries or to a class of beneficiaries designated to receive the income or corpus except where such action is to provide for after-born or after-adopted children.

Same
Power to
allocate
income if
limited by
standard

17788. The grantor shall be treated as the owner of any portion of a trust in respect of which—

Grantor
treated as
owner
Administra-
tive powers

(a) A power exercisable by the grantor or a nonadverse party, or both, without the approval or consent of any adverse party enables the grantor or any person to purchase, exchange, or otherwise deal with or dispose of the corpus or the income therefrom for less than an adequate consideration in money or money's worth.

(b) A power exercisable by the grantor or a nonadverse party, or both, enables the grantor to borrow the corpus or income, directly or indirectly, without adequate interest or without adequate security except where a trustee (other than the grantor) is authorized under a general lending power to make loans to any person without regard to interest or security.

(c) The grantor has directly or indirectly borrowed the corpus or income and has not completely repaid the loan, including any interest, before the beginning of the taxable year. The preceding sentence shall not apply to a loan which provides for adequate interest and adequate security, if such loan is made by a trustee other than the grantor and other than a related or subordinate trustee subservient to the grantor.

(d) A power of administration is exercisable in a nonfiduciary capacity by any person without the approval or consent of any person in a fiduciary capacity. For purposes of this subsection, the term "power of administration" means any one or more of the following powers: (1) A power to vote or direct the voting of stock or other securities of a corporation in which the holdings of the grantor and the trust are significant from the viewpoint of voting control; (2) a power to control the investment of the trust funds either by directing investments or reinvestments, or by vetoing proposed investments or reinvestments, to the extent that the trust funds

consist of stocks or securities of corporations in which the holdings of the grantor and the trust are significant from the viewpoint of voting control; or (3) a power to reacquire the trust corpus by substituting other property of an equivalent value.

Same Power
to revest
title in
grantor

17789. (a) The grantor shall be treated as the owner of any portion of a trust, whether or not he is treated as such owner under any other provision of this article, where at any time the power to revest in the grantor title to such portion is exercisable by the grantor or a nonadverse party, or both.

Exception

(b) Subsection (a) shall not apply to a power the exercise of which can only affect the beneficial enjoyment of the income for a period commencing after the expiration of a period such that a grantor would not be treated as the owner under Section 17783 if the power were a reversionary interest. But the grantor may be treated as the owner after the expiration of such period unless the power is relinquished.

Grantor
treated as
owner
Income for
benefit of
grantor

17790. The grantor shall be treated as the owner of any portion of a trust whether or not he is treated as such owner under Sections 17784 to 17787, inclusive, whose income without the approval or consent of any adverse party is, or, in the discretion of the grantor or a nonadverse party, or both, may be—

(a) Distributed to the grantor;

(b) Held or accumulated for future distribution to the grantor; or

(c) Applied to the payment of premiums on policies of insurance on the life of the grantor (except policies of insurance irrevocably payable) for a purpose specified in Section 17214 (relating to definition of charitable contributions).

This section shall not apply to a power the exercise of which can only affect the beneficial enjoyment of the income for a period commencing after the expiration of a period such that the grantor would not be treated as the owner under Section 17783 if the power were a reversionary interest; but the grantor may be treated as the owner after the expiration of the period unless the power is relinquished.

Exception

17791. Income of a trust shall not be considered taxable to the grantor under Section 17790 or any other provision of this part merely because such income in the discretion of another person, the trustee, or the grantor acting as trustee or co-trustee, may be applied or distributed for the support or maintenance of a beneficiary whom the grantor is legally obligated to support or maintain, except to the extent that such income is so applied or distributed. In cases where the amounts so applied or distributed are paid out of corpus or out of other than income for the taxable year, such amounts shall be considered to be an amount paid or credited within the meaning of paragraph (2) of Section 17761(a) and shall be taxed to the grantor under Section 17762.

17792. (a) A person other than the grantor shall be treated as the owner of any portion of a trust with respect to which: Person other than grantor treated as owner

(1) Such person has a power exercisable solely by himself to vest the corpus or the income therefrom in himself; or

(2) Such person has previously partially released or otherwise modified such a power and after the release or modification retains such control as would, within the principles of Sections 17783 to 17791, inclusive, subject a grantor of a trust to treatment as the owner thereof.

(b) Subsection (a) shall not apply with respect to a power over income, as originally granted or thereafter modified, if the grantor of the trust is otherwise treated as the owner under Sections 17783 to 17791, inclusive. Exceptions

(c) Subsection (a) shall not apply to a power which enables such person, in the capacity of trustee or co-trustee, merely to apply the income of the trust to the support or maintenance of a person whom the holder of the power is obligated to support or maintain except to the extent that such income is so applied. In cases where the amounts so applied or distributed are paid out of corpus or out of other than income of the taxable year, such amounts shall be considered to be an amount paid or credited within the meaning of paragraph (2) of Section 17761(a) and shall be taxed to the holder of the power under Section 17762.

(d) Subsection (a) shall not apply with respect to a power which has been renounced or disclaimed within a reasonable time after the holder of the power first became aware of its existence.

Article 6. Miscellaneous

17811. In computing the deduction allowable under Section 17734 to a trust, no amount otherwise allowable under Section 17734 as a deduction shall be allowed as a deduction with respect to income of the taxable year which is allocable to its unrelated business income for such year. For purposes of the preceding sentence, the term "unrelated business income" means an amount equal to the amount which, if such trust were one described in Section 17734 would be computed as its unrelated business taxable income under Sections 17652, 17653 and 17654 (relating to income derived from certain business activities and from certain leases). Unrelated business income Charitable contribution deduction disallowed

17812. The amount otherwise allowable under Section 17734 as a deduction shall not exceed 20 percent of the taxable income of the trust (computed without the benefit of Section 17734 but with the benefit of Section 17214) if the trust has engaged in a prohibited transaction, as defined in Section 17813. Charitable contribution deduction limitation

17813. For purposes of Sections 17812 to 17816, inclusive, the term "prohibited transaction" means any transaction after December 31, 1950, in which any trust while holding income or corpus which has been permanently set aside or is to be "Prohibited transaction"

used exclusively for charitable or other purposes described in Section 17734—

(a) Lends any part of such income or corpus, without receipt of adequate security and a reasonable rate of interest, to;

(b) Pays any compensation from such income or corpus, in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered, to;

(c) Makes any part of its services available on a preferential basis to;

(d) Uses such income or corpus to make any substantial purchase of securities or any other property, for more than an adequate consideration in money or money's worth, from;

(e) Sells any substantial part of the securities or other property comprising such income or corpus, for less than an adequate consideration in money or money's worth, to; or

(f) Engages in any other transaction which results in a substantial diversion of such income or corpus to; the creator of such trust; any person who has made a substantial contribution to such trust; a member of a family (as defined in Section 17289 (d)) of an individual who is the creator of the trust or who has made a substantial contribution to the trust; or a corporation controlled by any such creator or person through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote or 50 percent or more of the total value of shares of all classes of stock of the corporation.

Taxable
years
affected

17814. The amount otherwise allowable under Section 17734 as a deduction shall be limited as provided in Section 17812 only for taxable years after the taxable year during which the trust is notified by the Franchise Tax Board that it has engaged in such transaction, unless such trust entered into such prohibited transaction with the purpose of diverting such corpus or income from the purposes described in Section 17734, and such transaction involved a substantial part of such corpus or income.

Removal of
limitation

17815. If the deduction of any trust under Section 17734 has been limited as provided in Sections 17812 to 17816, inclusive, such trust, with respect to any taxable year following the taxable year in which notice is received of limitation of deduction under Section 17734, may, under regulations prescribed by the Franchise Tax Board, file claim for the allowance of the unlimited deduction under Section 17734, and if the Franchise Tax Board, pursuant to such regulations, is satisfied that such trust will not knowingly again engage in a prohibited transaction, the limitation provided in Section 17812 shall not apply with respect to taxable years after the year in which such claim is filed.

17816. No gift or bequest for religious, charitable, scientific, literary, or educational purposes (including the encouragement of art and the prevention of cruelty to children or animals), otherwise allowable as a deduction under Section 17215, 17216, 17216.1, or 17734, shall be allowed as a deduction if made in trust and, in the taxable year of the trust in which the gift or bequest is made, the deduction allowed the trust under Section 17734 is limited by Section 17812. With respect to any taxable year of a trust in which such deduction has been so limited by reason of entering into a prohibited transaction with the purpose of diverting such corpus or income from the purposes described in Section 17734, and such transaction involved a substantial part of such income or corpus, and which taxable year is the same, or before the, taxable year of the trust in which such prohibited transaction occurred, such deduction shall be disallowed the donor only if such donor or (if such donor is an individual) any member of his family (as defined in Section 17289) was a party to such prohibited transaction.

Disallowance
of certain
charitable,
etc.,
deductions

17817. For purposes of Sections 17812 to 17816, inclusive, the term "gift or bequest" means any gift, contribution, bequest, devise, or legacy, or any transfer without adequate consideration.

"Gift or
bequest"

17818. If the amounts permanently set aside, or to be used exclusively for the charitable and other purposes described in Section 17734 during the taxable year or any prior taxable year and not actually paid out by the end of the taxable year—

Accumulated
income

(a) Are unreasonable in amount or duration in order to carry out such purposes of the trust;

(b) Are used to a substantial degree for purposes other than those prescribed in Section 17734; or

(c) Are invested in such a manner as to jeopardize the interests of the religious, charitable, scientific, etc., beneficiaries;

the amount otherwise allowable under Section 17734 as a deduction shall be limited to the amount actually paid out during the taxable year and shall not exceed 20 percent of the taxable income of the trust (computed without the benefit of Section 17734).

17819. There shall be included in the gross income of a wife who is divorced or legally separated under a decree of divorce or of separate maintenance (or who is separated from her husband under a written separation agreement) the amount of the income of any trust which such wife is entitled to receive and which, except for this section, would be includible in the gross income of her husband, and such amount shall not, despite any other provision of this part, be includible in the gross income of such husband. This section shall not apply to that part of any such income of the trust which the terms of the decree, written separation agreement, or trust instrument fix, in terms of an amount of money or a portion

Alimony
trusts:
Income not
includible in
husband's
return

of such income, as a sum which is payable for the support of minor children of such husband. In case such income is less than the amount specified in the decree, agreement or instrument, for the purpose of applying the preceding sentence, such income to the extent of such sum payable for such support, shall be considered a payment for such support.

Same
Income
includible in
wife's return

17820. For purposes of computing the taxable income of the estate or trust and the taxable income of a wife to whom Section 17819 or Section 17081 applies, such wife shall be considered as the beneficiary specified in this article. A periodic payment under Section 17081 to any portion of which this part applies shall be included in the gross income of the beneficiary in the taxable year in which under this part such portion is required to be included.

Application

17821. (a) This chapter shall apply only to taxable years beginning after December 31, 1954.

(b) In the case of any beneficiary of an estate or trust—

(1) This chapter shall not apply to any amount paid, credited, or to be distributed by the estate or trust in any taxable year of such estate or trust to which this part does not apply, and

(2) The Personal Income Tax Law of 1954 shall apply for purposes of determining the amount includible in the gross income of the beneficiary.

To the extent that any amount paid, credited, or to be distributed by an estate or trust in the first taxable year of such estate or trust to which this part applies would be treated, if the Personal Income Tax Law of 1954 were applicable, as paid, credited, or to be distributed on the last day of the preceding taxable year, such amount shall not be taken into account for purposes of this part but shall be taken into account as provided in the Personal Income Tax Law of 1954.

Article 7. Income in Respect of Decedents

Income in
respect of
decedents
Inclusion in
gross income

17831. The amount of all items of gross income in respect of a decedent which are not properly includible in respect of the taxable period in which falls the date of his death or a prior period (including the amount of all items of gross income in respect of a prior decedent, if the right to receive such amount was acquired by reason of the death of the prior decedent or by bequest, devise, or inheritance from the prior decedent) shall be included in the gross income, for the taxable year when received, of:

(a) The estate of the decedent, if the right to receive the amount is acquired by the decedent's estate from the decedent;

(b) The person who, by reason of the death of the decedent, acquires the right to receive the amount, if the right to receive the amount is not acquired by the decedent's estate from the decedent; or

(c) The person who acquires from the decedent the right to receive the amount by bequest, devise, or inheritance, if the amount is received after distribution by the decedent's estate of such right.

17832. If a right, described in Section 17831, to receive an amount is transferred by the estate of the decedent or a person who received such right by reason of the death of the decedent or by bequest, devise, or inheritance from the decedent, there shall be included in the gross income of the estate or such person, as the case may be, for the taxable period in which the transfer occurs, the fair market value of such right at the time of such transfer plus the amount by which any consideration for the transfer exceeds such fair market value. For purposes of this section, the term "transfer" includes sale, exchange, or other disposition, or the satisfaction of an installment obligation at other than face value, but does not include transmission at death to the estate of the decedent or a transfer to a person pursuant to the right of such person to receive such amount by reason of the death of the decedent or by bequest, devise, or inheritance from the decedent.

Transfer of right to receive sum in decedent's estate

"Transfer"

17833. The right, described in Section 17831, to receive an amount shall be treated, in the hands of the estate of the decedent, or any person who acquired such right by reason of the death of the decedent, or by bequest, devise, or inheritance from the decedent, as if it had been acquired by the estate or such person in the transaction in which the right to receive the income was originally derived and the amount includible in gross income under Section 17831 or 17832 shall be considered in the hands of the estate or such person to have the character which it would have had in the hands of the decedent if the decedent had lived and received such amount.

Character of right

17834. (a) In the case of an installment obligation received by a decedent on the sale or other disposition of property, the income from which was properly reportable by the decedent on the installment basis under Sections 17577 to 17580, inclusive, if such obligation is acquired by the decedent's estate from the decedent or by any person by reason of the death of the decedent or by bequest, devise, or inheritance from the decedent—

Installment obligations

(a) An amount equal to the excess of the face amount of such obligation over the basis of the obligation in the hands of the decedent (determined under Section 17580) shall, for the purpose of Section 17831, be considered as an item of gross income in respect of the decedent; and

(b) Such obligation shall, for purposes of Sections 17832 and 17833, be considered a right to receive an item of gross income in respect of the decedent, but the amount includible in gross income under Section 17832 shall be reduced by an amount equal to the basis of the obligation in the hands of the decedent (determined under Section 17580).

17835. The amount of any deduction specified in Section 17202, 17203, 17204, 17205, 17252, or 17681 (relating to deduc-

Deduction of expenses, interest, etc

tions for expenses, interest, taxes, and depletion) in respect of a decedent which is not properly allowable to the decedent in respect of the taxable period in which falls the date of his death, or a prior period, shall be allowed:

(a) In the case of a deduction specified in Section 17202, 17203, 17204, or 17252 in the taxable year when paid to the estate of the decedent; except that if the estate of the decedent is not liable to discharge the obligation to which the deduction relates, to the person who, by reason of the death of the decedent or by bequest, devise, or inheritance acquires, subject to such obligation, from the decedent an interest in property of the decedent.

(b) In the case of the deduction specified in Section 17681, to the person described in Section 17831(a), (b), or (c) who, in the manner described therein, receives the income to which the deduction relates, in the taxable year when such income is received.

Deduction
for inher-
itance tax

17836. (a) A person who includes an amount in gross income under Sections 17831 to 17834, inclusive, shall be allowed, for the same taxable year, as a deduction an amount which bears the same ratio to the inheritance tax attributable to the net value for inheritance tax purposes of all the items described in Section 17831 as the value for inheritance tax purposes of the items of gross income or portions thereof in respect of which such person included the amount in gross income (or the amount included in gross income, whichever is lower) bears to the value for inheritance tax purposes of all the items described in Section 17831.

(b) In the case of an estate or trust, the amount allowed as a deduction under subsection (a) shall be computed by excluding from the gross income of the estate or trust the portion (if any) of the items described in Section 17831 which is properly paid, credited, or to be distributed to the beneficiaries during the taxable year. This section shall apply to the same taxable years, and to the same extent, as is provided in Section 17821.

"Inheritance
tax"

17837. For purposes of Section 17836—

(a) The term "inheritance tax" means the tax imposed on the beneficiary of the decedent or any prior decedent under Part 8, Division 2 of this code.

(b) The net value for inheritance tax purposes of all the items described in Section 17831 shall be the excess of the value for inheritance tax purposes of all the items described in Section 17831 over the deductions from the gross estate in respect of claims which represent the deductions described in Section 17835. Such net value shall be determined with regard to the provisions of Section 17537(b), relating to the deduction for inheritance tax with respect to restricted stock options.

(c) The inheritance tax attributable to such net value shall be an amount equal to the excess of the inheritance tax over the inheritance tax computed without including in the gross estate such net value.

CHAPTER 10. PARTNERS AND PARTNERSHIPS

Article 1. Determination of Tax Liability

17851. A partnership as such shall not be subject to the tax imposed by this part. Persons carrying on business as partners shall be liable for income tax only in their separate or individual capacities. Partner's tax liability

17852. In determining his income tax, each partner shall take into account separately his distributive share of the partnership's— Partner's share of gains, losses, deductions, etc

(a) Gains and losses from sales or exchanges of capital assets;

(b) Gains and losses from sales or exchanges of property described in Sections 18181 and 18182 (relating to certain property used in a trade or business and involuntary conversions);

(c) Charitable contributions (as defined in Section 17214);

(d) Taxes, described in Section 18006, paid to another state or country on such income;

(e) Other items of income, gain, loss, deduction, or credit, to the extent provided by regulations prescribed by the Franchise Tax Board; and

(f) Taxable income or loss, exclusive of items requiring separate computation under other subsections of this section.

17853. (a) The character of any item of income, gain, loss, deduction, or credit included in a partner's distributive share under Section 17852(a) through (f) shall be determined as if such item were realized directly from the source from which realized by the partnership, or incurred in the same manner as incurred by the partnership. Character of items

(b) In any case where it is necessary to determine the gross income of a partner for purposes of this part, such amount shall include his distributive share of the gross income of the partnership.

17854. (a) The taxable income of a partnership shall be computed in the same manner as in the case of an individual except that— Partnership computations

(1) The items described in Section 17852 shall be separately stated; and

(2) The following deductions shall not be allowed to the partnership:

(A) The standard deduction provided in Section 17171;

(B) The deductions for personal exemptions provided in Section 17181;

(C) The deduction for taxes provided in Section 17204(a) with respect to taxes, described in Section 18006, paid to another state or country and to possessions of the United States;

(D) The deduction for charitable contributions provided in Sections 17214 to 17216, inclusive; and

(E) The additional itemized deductions for individuals provided in Article 7 of Chapter 3.

(b) Any election affecting the computation of taxable income derived from a partnership shall be made by the partnership.

Partner's
distributive
share
Effect of
partnership
agreement

17855. A partner's distributive share of income, gain, loss, deduction, or credit shall, except as otherwise provided in this section, and Section 17856 to 17859, inclusive, be determined by the partnership agreement.

Share
determined
by income or
loss ratio

17856. A partner's distributive share of any item of income, gain, loss, deduction, or credit shall be determined in accordance with his distributive share of taxable income or loss of the partnership, as described in Section 17852(f), for the taxable year, if—

(a) The partnership agreement does not provide as to the partner's distributive share of such item, or

(b) The principal purpose of any provision in the partnership agreement with respect to the partner's distributive share of such item is the avoidance or evasion of any tax imposed by this part.

Contributed
property

17857. (a) In determining a partner's distributive share of items described in Section 17852, depreciation, depletion, or gain or loss with respect to property contributed to the partnership by a partner shall, except to the extent otherwise provided in subsection (b) or (c), be allocated among the partners in the same manner as if such property had been purchased by the partnership.

(b) If the partnership agreement so provides, depreciation, depletion, or gain or loss with respect to property contributed to the partnership by a partner shall, under regulations prescribed by the Franchise Tax Board, be shared among the partners so as to take account of the variation between the basis of the property to the partnership and its fair market value at the time of contribution.

(c) If the partnership agreement does not provide otherwise, depreciation, depletion, or gain or loss with respect to undivided interests in property contributed to a partnership shall be determined as though such undivided interests had not been contributed to the partnership. This subsection shall apply only if all the partners had undivided interests in such property prior to contribution and their interests in the capital and profits of the partnership correspond with such undivided interests.

Limitation
on allowance
of losses

17858. A partner's distributive share of partnership loss (including capital loss) shall be allowed only to the extent of the adjusted basis of such partner's interest in the partnership at the end of the partnership year in which such loss occurred. Any excess of such loss over such basis shall be allowed as a deduction at the end of the partnership year in which such excess is repaid to the partnership.

Recognition
as partner

17859. (a) A person shall be recognized as a partner for purposes of this part if he owns a capital interest in a partnership in which capital is a material income-producing factor,

whether or not such interest was derived by purchase or gift from any other person.

(b) In the case of any partnership interest created by gift, the distributive share of the donee under the partnership agreement shall be includible in his gross income, except to the extent that such share is determined without allowance of reasonable compensation for services rendered to the partnership by the donor, and except to the extent that the portion of such share attributable to donated capital is proportionately greater than the share of the donor attributable to the donor's capital. The distributive share of a partner in the earnings of the partnership shall not be diminished because of absence due to military service.

Distributive
share of
donee

(c) For purposes of this article, an interest purchased by one member of a family from another shall be considered to be created by gift from the seller, and the fair market value of the purchased interest shall be considered to be donated capital. The "family" of any individual shall include only his spouse, ancestors, and lineal descendants, and any trusts for the primary benefit of such persons.

"Family"
transactions

17860. (a) The adjusted basis of a partner's interest in a partnership shall, except as provided in subsection (b), be the basis of such interest determined under Section 17882 (relating to contributions to a partnership) or Section 17902 (relating to transfers of partnership interests)—

Adjusted
basis of
partner's
interest

(1) Increased by the sum of his distributive share for the taxable year and prior taxable years of—

(A) Taxable income of the partnership as determined under Section 17854(a),

(B) Income of the partnership exempt from tax under this part; and

(C) The excess of the deductions for depletion over the basis of the property subject to depletion; and

(2) Decreased (but not below zero) by distributions by the partnership as provided in Section 17893 and by the sum of his distributive share for the taxable year and prior taxable years of—

(A) Losses of the partnership; and

(B) Expenditures of the partnership not deductible in computing its taxable income and not properly chargeable to capital account.

(b) The Franchise Tax Board shall prescribe by regulations the circumstances under which the adjusted basis of a partner's interest in a partnership may be determined by reference to his proportionate share of the adjusted basis of partnership property upon a termination of the partnership.

17861. In computing the taxable income of a partner for a taxable year, the inclusions required by Sections 17852 and 17853 and 17866 with respect to a partnership shall be based on the income, gain, loss, deduction, or credit of the partnership for any taxable year of the partnership ending within or with the taxable year of the partner.

Computing
partner's
income

Partner-
ship's
taxable year

17862. (a) The taxable year of a partnership shall be determined as though the partnership were a taxpayer. A partnership may not change to, or adopt, a taxable year other than that of all its principal partners unless it establishes, to the satisfaction of the Franchise Tax Board, a business purpose therefor.

(b) A partner may not change to a taxable year other than that of a partnership in which he is a principal partner unless he establishes, to the satisfaction of the Franchise Tax Board, a business purpose therefor.

(c) For the purpose of this section, a principal partner is a partner having an interest of 5 percent or more in partnership profits or capital.

Closing

17863. (a) Except in the case of a termination of a partnership and except as provided in subsection (b) of this section, the taxable year of a partnership shall not close as the result of the death of a partner, the entry of a new partner, the liquidation of a partner's interest in the partnership, or the sale or exchange of a partner's interest in the partnership.

(b) (1) The taxable year of a partnership shall close—

(A) With respect to a partner who sells or exchanges his entire interest in a partnership, and

(B) With respect to a partner whose interest is liquidated, except that the taxable year of a partnership with respect to a partner who dies shall not close prior to the end of the partnership's taxable year.

Such partner's distributive share of items described in Section 17852 for such year shall be determined, under regulations prescribed by the Franchise Tax Board, for the period ending with such sale, exchange, or liquidation.

(2) The taxable year of a partnership shall not close (other than at the end of a partnership's taxable year as determined under Section 17862(a)) with respect to a partner who sells or exchanges less than his entire interest in the partnership or with respect to a partner whose interest is reduced, but such partner's distributive share of items described in Section 17852 shall be determined by taking into account his varying interests in the partnership during the taxable year.

Partner-
partnership
transactions

17864. If a partner engages in a transaction with a partnership other than in his capacity as a member of such partnership, the transaction shall, except as otherwise provided in Sections 17865 and 17866, be considered as occurring between the partnership and one who is not a partner.

Losses
disallowed

17865. (a) No deduction shall be allowed in respect of losses from sales or exchanges of property (other than an interest in the partnership), directly or indirectly, between—

(1) A partnership and a partner owning, directly or indirectly, more than 50 percent of the capital interest, or the profits interest, in such partnership; or

(2) Two partnerships in which the same persons own, directly or indirectly, more than 50 percent of the capital interests or profits interests.

(b) In the case of a sale or exchange, directly or indirectly, of property, which, in the hands of the transferee, is property other than a capital asset as defined in Section 18161—

Gains
treated as
ordinary
income

(1) Between a partnership and a partner owning, directly or indirectly, more than 80 percent of the capital interest, or profits interest, in such partnership; or

(2) Between two partnerships in which the same persons own, directly or indirectly, more than 80 percent of the capital interests or profits interests;

any gain recognized shall be considered as gain from the sale or exchange of property other than a capital asset.

(c) For purposes of subsections (a) and (b), the ownership of a capital or profits interest in a partnership shall be determined in accordance with the rules for constructive ownership of stock provided in Section 17289 other than subsection (c) of such section.

Ownership
of capital
or profits
interest

17866. (a) To the extent determined without regard to the income of the partnership, payments to a partner for services or the use of capital shall be considered as made to one who is not a member of the partnership, but only for the purposes of Section 17071(a) (relating to gross income) and Section 17202(a) (relating to trade or business expenses).

Payments
to partner by
partnership

(b) In the case of a nonresident partner, payments described in subsection (a) shall be gross income from sources within this State.

17867. (a) For purposes of this article, an existing partnership shall be considered as continuing if it is not terminated.

Continuation
of partner-
ship.

(b) (1) For purposes of subsection (a), a partnership shall be considered as terminated only if—

Termination

(A) No part of any business, financial operation, or venture of the partnership continues to be carried on by any of its partners in a partnership, or

(B) Within a 12-month period there is a sale or exchange of 50 percent or more of the total interest in partnership capital and profits.

(2) (A) In the case of the merger or consolidation of two or more partnerships, the resulting partnership shall, for purposes of this section, be considered the continuation of any merging or consolidating partnership whose members own an interest of more than 50 percent in the capital and profits of the resulting partnership.

Merger or
consolidation

(B) In the case of a division of a partnership into two or more partnerships, the resulting partnerships (other than any resulting partnership the members of which had an interest of 50 percent or less in the capital and profits of the prior partnership) shall, for purposes of this section, be considered a continuation of the prior partnership.

Division

Article 2. Contributions to a Partnership

17881. No gain or loss shall be recognized to a partnership or to any of its partners in the case of a contribution of

Contribu-
tions to
partnership

property to the partnership in exchange for an interest in the partnership.

Basis of
interest

17882. The basis of an interest in a partnership acquired by a contribution of property, including money, to the partnership shall be the amount of such money and the adjusted basis of such property to the contributing partner at the time of the contribution.

Basis of
property

17883. The basis of property contributed to a partnership by a partner shall be the adjusted basis of such property to the contributing partner at the time of the contribution.

Article 3. Distributions by a Partnership

Distribu-
tions
Recognition
of gain
or loss

17891. (a) In the case of a distribution by a partnership to a partner—

(1) Gain shall not be recognized to such partner, except to the extent that any money distributed exceeds the adjusted basis of such partner's interest in the partnership immediately before the distribution; and

(2) Loss shall not be recognized to such partner, except that upon a distribution in liquidation of a partner's interest in a partnership where no property other than that described in subparagraph (A) or (B) is distributed to such partner, loss shall be recognized to the extent of the excess of the adjusted basis of such partner's interest in the partnership over the sum of—

(A) Any money distributed; and

(B) The basis to the distributee, as determined under Section 17892, of any unrealized receivables (as defined in Section 17913) and inventory (as defined in Section 17914(b)).

Any gain or loss recognized under this section shall be considered as gain or loss from the sale or exchange of the partnership interest of the distributee partner.

(b) No gain or loss shall be recognized to a partnership on a distribution to a partner of property, including money.

(c) This section shall not apply to the extent otherwise provided by Sections 17896 and 17897 (relating to payments to a retiring partner or a deceased partner's successor in interest) and Sections 17911 to 17914, inclusive (relating to unrealized receivables and inventory items).

Basis of
property
distributed

17892. (a) (1) The basis of property (other than money) distributed by a partnership to a partner other than in liquidation of the partner's interest shall, except as provided in paragraph (2), be its adjusted basis to the partnership immediately before such distribution.

(2) The basis to the distributee partner of property to which paragraph (1) is applicable shall not exceed the adjusted basis of such partner's interest in the partnership reduced by any money distributed in the same transaction.

(b) The basis of property (other than money) distributed by a partnership to a partner in liquidation of the partner's

interest shall be an amount equal to the adjusted basis of such partner's interest in the partnership reduced by any money distributed in the same transaction.

(c) The basis of distributed properties to which subsection (a)(2) or subsection (b) is applicable shall be allocated—

(1) First to any unrealized receivables (as defined in Section 17913) and inventory items (as defined in Section 17914(b)) in an amount equal to the adjusted basis of each such property to the partnership (or if the basis to be allocated is less than the sum of the adjusted bases of such properties to the partnership, in proportion to such bases); and

(2) To the extent of any remaining basis, to any other distributed properties in proportion to their adjusted bases to the partnership.

(d) For purposes of subsections (a), (b), and (c), a partner who acquired all or a part of his interest by a transfer with respect to which the election provided in Section 17917 is not in effect, and to whom a distribution of property (other than money) is made with respect to the transferred interest within two years after such transfer, may elect, under regulations prescribed by the Franchise Tax Board, to treat as the adjusted partnership basis of such property the adjusted basis such property would have if the adjustment provided in Section 17904 were in effect with respect to the partnership property. The Franchise Tax Board may by regulations require the application of this subsection in the case of a distribution to a transferee partner, whether or not made within two years after the transfer, if at the time of the transfer the fair market value of the partnership property (other than money) exceeded 110 percent of its adjusted basis to the partnership.

(e) This section shall not apply to the extent that a distribution is treated as a sale or exchange of property under Section 17912 (relating to unrealized receivables and inventory items).

17893. In the case of a distribution by a partnership to a partner other than in liquidation of a partner's interest, the adjusted basis to such partner of his interest in the partnership shall be reduced (but not below zero) by—

Adjusted
basis of
interest

(a) The amount of any money distributed to such partner; and

(b) The amount of the basis to such partner of distributed property other than money, as determined under Section 17892.

17894. (a) The basis of partnership property shall not be adjusted as the result of a distribution of property to a partner unless the election, provided in Section 17917 (relating to optional adjustment to basis of partnership property), is in effect with respect to such partnership.

Change in
basis of
partnership
property

(b) In the case of a distribution of property to a partner, a partnership, with respect to which the election provided in Section 17917 is in effect, shall—

(1) Increase the adjusted basis of partnership property by—

(A) The amount of any gain recognized to the distributee partner with respect to such distribution under Section 17891(a); and

(B) In the case of distributed property to which Section 17892(a)(2) or (b) applies, the excess of the adjusted basis of the distributed property to the partnership immediately before the distribution (as adjusted by Section 17892(d)) over the basis of the distributed property to the distributee, as determined under Section 17892; or

(2) Decrease the adjusted basis of partnership property by—

(A) The amount of any loss recognized to the distributee partner with respect to such distribution under Section 17891(a); and

(B) In the case of distributed property to which Section 17892(b) applies, the excess of the basis of the distributed property to the distributee; as determined under Section 17892, over the adjusted basis of the distributed property to the partnership immediately before such distribution (as adjusted by Section 17892(d)).

(c) The allocation of basis among partnership properties where subsection (b) is applicable shall be made in accordance with the rules provided in Section 17918.

Gain or loss
on disposition
of
distributed
property

17895. (a) (1) Gain or loss on the disposition by a distributee partner of unrealized receivables (as defined in Section 17913) distributed by a partnership, shall be considered gain or loss from the sale or exchange of property other than a capital asset.

(2) Gain or loss on the sale or exchange by a distributee partner of inventory items (as defined in Section 17914(b)) distributed by a partnership shall, if sold or exchanged within five years from the date of the distribution, be considered gain or loss from the sale or exchange of property other than a capital asset.

(b) In determining the period for which a partner has held property received in a distribution from a partnership (other than for purposes of subsection (a)(2)), there shall be included the holding period of the partnership, as determined under Sections 18163 to 18171, inclusive, with respect to such property.

Payments to
liquidate
partner's
interest

17896. Payments made in liquidation of the interest of a retiring partner or a deceased partner shall, except as provided in Section 17897, be considered—

(a) As a distributive share to the recipient of partnership income if the amount thereof is determined with regard to the income of the partnership, or

(b) As a guaranteed payment described in Section 17866 if the amount thereof is determined without regard to the income of the partnership.

17897. (a) Payments made in liquidation of the interest of ^{Same} a retiring partner or a deceased partner shall, to the extent such payments (other than payments described in subsection (b)) are determined, under regulations prescribed by the Franchise Tax Board, to be made in exchange for the interest of such partner in partnership property, be considered as a distribution by the partnership and not as a distributive share or guaranteed payment under Section 17896.

(b) For purposes of this section, payments in exchange for an interest in partnership property shall not include amounts paid for—

(1) Unrealized receivables of the partnership (as defined in Section 17913); or

(2) Good will of the partnership, except to the extent that the partnership agreement provides for a payment with respect to good will.

Article 4. Transfers of Interests in a Partnership

17901. In the case of a sale or exchange of an interest in a partnership, gain or loss shall be recognized to the transferor partner. Such gain or loss shall be considered as gain or loss from the sale or exchange of a capital asset, except as otherwise provided in Sections 17911 to 17914, inclusive (relating to unrealized receivables and inventory items which have appreciated substantially in value). ^{Recognition of gain or loss on transfer}

17902. The basis of an interest in a partnership acquired other than by contribution shall be determined under Article 2 of Chapter 13 (Section 18041 and following). ^{Basis of interest}

17903. The basis of partnership property shall not be adjusted as the result of a transfer of an interest in a partnership by sale or exchange or on the death of a partner unless the election provided by Section 17917 (relating to optional adjustment to basis of partnership property) is in effect with respect to such partnership. ^{Basis of partnership property}

17904. In the case of a transfer of an interest in a partnership by sale or exchange or upon the death of a partner, a partnership with respect to which the election provided in Section 17917 is in effect shall— ^{Adjustment of basis upon transfer of interest}

(a) Increase the adjusted basis of the partnership property by the excess of the basis to the transferee partner of his interest in the partnership over his proportionate share of the adjusted basis of the partnership property, or

(b) Decrease the adjusted basis of the partnership property by the excess of the transferee partner's proportionate share of the adjusted basis of the partnership property over the basis of his interest in the partnership.

Under regulations prescribed by the Franchise Tax Board, such increase or decrease shall constitute an adjustment to

the basis of partnership property with respect to the transferee partner only. A partner's proportionate share of the adjusted basis of partnership property shall be determined in accordance with his interest in partnership capital and, in the case of an agreement described in Section 17857(b) (relating to effect of partnership agreement on contributed property), such share shall be determined by taking such agreement into account. In the case of an adjustment under this section to the basis of partnership property subject to depletion, any depletion allowable shall be determined separately for the transferee partner with respect to his interest in such property.

Allocation
of basis

17905. The allocation of basis among partnership properties where Section 17904 is applicable shall be made in accordance with the rules provided in Section 17918.

Article 5. Provisions Common to Other Articles

Unrealized
receivables
and appre-
ciated
inventory
items

17911. The amount of any money, or the fair market value of any property, received by a transferor partner in exchange for all or a part of his interest in the partnership attributable to—

(a) Unrealized receivables of the partnership; or

(b) Inventory items of the partnership which have appreciated substantially in value;

shall be considered as an amount realized from the sale or exchange of property other than a capital asset.

Partnership
property
distributed

17912. (a) To the extent a partner receives in a distribution—

(1) Partnership property described in Section 17911 in exchange for all or a part of his interest in other partnership property (including money), or

(2) Partnership property (including money) other than property described in Section 17911 in exchange for all or a part of his interest in partnership property described in Section 17911,

such transactions shall, under regulations prescribed by the Franchise Tax Board, be considered as a sale or exchange of such property between the distributee and the partnership (as constituted after the distribution).

(b) Subsection (a) shall not apply to—

(1) A distribution of property which the distributee contributed to the partnership; or

(2) Payments, described in Section 17896, to a retiring partner or successor in interest of a deceased partner.

"Unrealized
receivables"

17913. For purposes of this chapter, the term "unrealized receivables" includes, to the extent not previously includible in income under the method of accounting used by the partnership, any rights (contractual or otherwise) to payment for—

(a) Goods delivered, or to be delivered, to the extent the proceeds therefrom would be treated as amounts received from the sale or exchange of property other than a capital asset; or

(b) Services rendered, or to be rendered.

17914. (a) Inventory items of the partnership shall be considered to have appreciated substantially in value if their fair market value exceeds—

Substantially
appreciated
inventory
items

(1) 120 percent of the adjusted basis to the partnership of such property; and

(2) 10 percent of the fair market value of all partnership property, other than money.

(b) For purposes of this chapter the term “inventory items” means—

(1) Property of the partnership of the kind described in Section 18161(a);

(2) Any other property of the partnership which, on sale or exchange by the partnership, would be considered property other than a capital asset and other than property described in Sections 18181 and 18182; and

(3) Any other property held by the partnership which, if held by the selling or distributee partner, would be considered property of the type described in paragraph (1) or (2).

17915. (a) Any increase in a partner's share of the liabilities of a partnership, or any increase in a partner's individual liabilities by reason of the assumption by such partner of partnership liabilities, shall be considered as a contribution of money by such partner to the partnership.

Assumption
of liabilities
by partner or
partnership

(b) Any decrease in a partner's share of the liabilities of a partnership, or any decrease in a partner's individual liabilities by reason of the assumption by the partnership of such individual liabilities, shall be considered as a distribution of money to the partner by the partnership.

(c) For purposes of this section, a liability to which property is subject shall, to the extent of the fair market value of such property, be considered as a liability of the owner of the property.

(d) In the case of a sale or exchange of an interest in a partnership, liabilities shall be treated in the same manner as liabilities in connection with the sale or exchange of property not associated with partnerships.

17916. The amount includible in the gross income of a successor in interest of a deceased partner under Section 17897(a) shall be considered income in respect of a decedent under Sections 17831 to 17837, inclusive.

Gross income
of successor

17917. If a partnership files an election, in accordance with regulations prescribed by the Franchise Tax Board, the basis of partnership property shall be adjusted, in the case of a distribution of property, in the manner provided in Section 17894 and, in the case of a transfer of a partnership interest, in the manner provided in Sections 17903 to 17905, inclusive. Such an election shall apply with respect to all distributions of property by the partnership and to all transfers of interests in the partnership during the taxable year with respect to which such election was filed and all subsequent taxable years. Such

Election for
adjustment
of property
basis

election may be revoked by the partnership, subject to such limitations as may be provided by regulations prescribed by the Franchise Tax Board.

Allocation of
changes in
adjusted
basis

17918. (a) Any increase or decrease in the adjusted basis of partnership property under Section 17894(b) (relating to the optional adjustment to the basis of undistributed partnership property) or Section 17904 (relating to the optional adjustment to the basis of partnership property in the case of a transfer of an interest in a partnership) shall, except as provided in subsection (b), be allocated—

(1) In a manner which has the effect of reducing the difference between the fair market value and the adjusted basis of partnership properties, or

(2) In any other manner permitted by regulations prescribed by the Franchise Tax Board.

(b) In applying the allocation rules provided in subsection (a), increases or decreases in the adjusted basis of partnership property arising from a distribution of, or a transfer of an interest attributable to, property consisting of—

(1) Capital assets and property described in Section 18182; or

(2) Any other property of the partnership; shall be allocated to partnership property of a like character except that the basis of any such partnership property shall not be reduced below zero. If, in the case of a distribution, the adjustment to basis of property described in paragraph (1) or (2) is prevented by the absence of such property or by insufficient adjusted basis for such property, such adjustment shall be applied to subsequently acquired property of a like character in accordance with regulations prescribed by the Franchise Tax Board.

Article 6. Definitions

“Partnership”

17921. (a) For purposes of this part, the term “partnership” includes a syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this part, a corporation or a trust or estate. Under regulations the Franchise Tax Board may, at the election of all the members of an unincorporated organization, exclude such organization from the application of all or part of this chapter, if it is availed of—

(1) For investment purposes only and not for the active conduct of a business; or

(2) For the joint production, extraction, or use of property, but not for the purpose of selling services or property produced or extracted,

if the income of the members of the organization may be adequately determined without the computation of partnership taxable income.

“Partner”

(b) For purposes of this part, the term “partner” means a member of a partnership.

(c) For purposes of this chapter, a partnership agreement includes any modifications of the partnership agreement made prior to, or at, the time prescribed by law for the filing of the partnership return for the taxable year (not including extensions) which are agreed to by all the partners, or which are adopted in such other manner as may be provided by the partnership agreement. Partnership agreement

(d) For purposes of this chapter, the term "liquidation of a partner's interest" means the termination of a partner's entire interest in a partnership by means of a distribution, or a series of distributions, to the partner by the partnership. "Liquidation of a partner's interest"

Article 7. Effective Date for Chapter and Returns Required

17931. (a) (1) This chapter shall apply with respect to— Application

(A) Any partnership taxable year beginning after December 31, 1954; and

(B) Any part of a partner's taxable year falling within such partnership taxable year.

(2) Sections 17751, 18301 to 18305, inclusive, and 17008 of the Personal Income Tax Law of 1954 shall apply with respect to—

(A) Any partnership taxable year beginning before January 1, 1955; and

(B) Any part of a partner's taxable year falling within such partnership taxable year.

(b) In the case of a partnership taxable year beginning after December 31, 1954, and before January 1, 1956, a partnership may elect, under regulations prescribed by the Franchise Tax Board, with respect to distributions made during such year to any partner, other than in liquidation of the partner's interest, to apply the rules in Sections 17891, 17892(a), (c), and (e), 17893, 17895, 17912, 17913, and 17914 (and, to the extent applicable, the rules provided in Sections 17860, 17915, and 17921(d)). If a partnership so elects, such rules shall be effective for the partnership and all members of such partnership with respect to such distributions.

17932. Every partnership shall make a return for each taxable year, stating specifically the items of gross income and the deductions allowed by this part. The return shall include the names and addresses of the individuals, whether residents or nonresidents, who would be entitled to share in the net income if distributed and the amount of the distributive share of each individual. The return shall contain or be verified by a written declaration that it is made under the penalties of perjury, signed by one of the partners. Returns

CHAPTER 11. GROSS INCOME OF NONRESIDENTS

17951. In the case of nonresident taxpayers the gross income includes only the gross income from sources within this State. Gross income of nonresidents Sources within State

Intangible
personal
property

17952. Income of nonresidents from stocks, bonds, notes, or other intangible personal property is not income from sources within this State unless the property has acquired a business situs in this State, except that if a nonresident buys or sells such property in this State or places orders with brokers in this State to buy or sell such property so regularly, systematically, and continuously as to constitute doing business in this State, the profit or gain derived from such activity is income from sources within this State irrespective of the situs of the property.

Estates and
trusts

17953. Income of estates and trusts distributed or distributable to nonresident beneficiaries is income from sources within this State only if distributed or distributable out of income of the estate or trust derived from sources within this State. For the purposes of this section, the nonresident beneficiary shall be deemed to be the owner of intangible personal property from which the income of the estate or trust is derived.

Allocation

17954. Gross income from sources within and without this State shall be allocated and apportioned under rules and regulations prescribed by the Franchise Tax Board.

CHAPTER 12. CREDIT FOR TAXES PAID

Income
taxes paid
another state
or country
Residents

18001. Subject to the following conditions, residents shall be allowed a credit against the taxes imposed by this part for net income taxes imposed by and paid to another state or country on income taxable under this part:

(a) The credit shall be allowed only for taxes paid to the other state or country on income derived from sources within that state or country which is taxable under its laws irrespective of the residence or domicile of the recipient.

(b) The credit shall not be allowed if the other state or country allows residents of this State a credit against the taxes imposed by that state or country for taxes paid or payable under this part.

(c) The credit shall not exceed such proportion of the tax payable under this part as the income subject to tax in the other state or country and also taxable under this part bears to the taxpayer's entire income upon which the tax is imposed by this part.

Nonresidents

18002. Subject to the following conditions, nonresidents shall be allowed a credit against the taxes imposed by this part for net income taxes imposed by and paid to the state or country of residence on income taxable under this part:

(a) The credit shall be allowed only if the state or country of residence either does not tax income of residents of this State derived from sources within that state or country or allows residents of this State a credit against the taxes imposed by that state or country on such income for taxes paid or payable thereon under this part.

(b) The credit shall not be allowed for taxes paid to a state or country which allows its residents a credit against the taxes

imposed by that state or country for income taxes paid or payable under this part irrespective of whether its residents are allowed a credit against the taxes imposed by this part for income taxes paid to that state or country.

(c) Credit shall be allowed only for such proportion of the taxes paid to the state or country of residence as the income taxable under this part and also subject to tax in the state or country of residence bears to the entire income upon which the taxes paid to the state or country of residence are imposed.

(d) The credit shall not exceed such proportion of the tax payable under this part as the income subject to tax in the state or country of residence and also taxable under this part bears to the entire income taxable under this part.

18003. For the purposes of this article an estate or trust is considered a resident of the state or country which taxes the income of the estate or trust irrespective of whether the income is derived from sources within that state or country.

Residence
of estate
or trust

18004. If an estate or trust is a resident of this State and also a resident of another state or country, it shall notwithstanding the limitations contained in Sections 18001 and 18002, be allowed a credit against the taxes imposed by this part for net income taxes imposed by and paid to the other state or country, subject to the following conditions:

Estate or
trust both
resident and
non resident

(a) Credit shall be allowed only for such proportion of the taxes paid to the other state or country as the income taxable under this part and also subject to tax in the other state or country bears to the entire income upon which the taxes paid to the other state or country are imposed.

(b) The credit shall not exceed such proportion of the tax payable under this part as the income subject to tax in the other state or country and also taxable under this part bears to the entire income taxable under this part.

18005. A resident beneficiary of an estate or trust who is taxable on the income of the estate or trust under Chapter 9 of this part shall, subject to the following conditions, be allowed a credit against the taxes imposed by this part on such income for net income taxes paid by the estate or trust to another state or country on such income:

Resident
beneficiary

(a) Credit shall be allowed only for such proportion of the tax paid to the other state or country by the estate or trust as the income of the estate or trust which is taxable to the beneficiary under this part and also taxed to the estate or trust in the other state or country bears to the entire income of the estate or trust upon which the taxes paid to the other state or country were imposed.

(b) The credit shall not exceed such proportion of the tax payable under this part as the income of the estate or trust which is taxable to the beneficiary under this part and also taxed to the estate or trust in the other state or country bears to the beneficiary's entire income upon which the tax is imposed by this part.

Partner of
partnership
taxed by
another
state

18006. (a) A member of a partnership who is taxable on the income thereof shall, subject to the conditions prescribed in (b) and (c), be allowed a credit against the taxes imposed by this part on such income for net income taxes paid by the partnership to another state or country on such income.

(b) Credit shall be allowed only for such proportion of the tax paid to such other state or country by the partnership as the income of the partnership which is taxable to the partner under this law and also taxed to the partnership in such other state or country bears to the entire income of the partnership upon which the taxes paid to such other state or country were imposed.

(c) The credit shall not exceed such proportion of the tax payable under this law as the income of the partnership which is taxable to the partner under this law and also taxed to the partnership in such other state or country bears to the partner's entire income upon which the tax is imposed by this law.

Refund
report

18007. If any taxes paid to another state or country for which a taxpayer has been allowed a credit under this article are at any time credited or refunded to the taxpayer, the taxpayer shall immediately report that fact to the Franchise Tax Board.

Tax on
refund

18008. A tax equal to the credit allowed for the taxes credited or refunded by the other state or country is due and payable from the taxpayer upon notice and demand from the Franchise Tax Board.

Interest

18009. Interest shall be added to and collected as a part of the tax at the rate of 6 percent per annum from the date the credit was allowed under this part to the date of the notice and demand.

Same

18010. If the tax and interest are not paid within 10 days from the date of notice and demand, there shall be collected as a part of the tax interest upon the unpaid amount of tax and interest at the rate of 6 percent per annum from the date of the notice and demand until the amount is paid.

Credit not
allowed if
invalid dis-
crimination

18011. The credit against the taxes imposed by this part for net income taxes paid to another state or country shall not be allowed to any taxpayer or any class of taxpayers if the allowance of the credit will result in an invalid or illegal discrimination against another taxpayer or another class of taxpayers.

CHAPTER 13. GAIN OR LOSS ON DISPOSITION OF PROPERTY

Article 1. Determination of Amount of Gain or Loss

Determina-
tion of
gain or loss

18031. (a) The gain from the sale or other disposition of property shall be the excess of the amount realized therefrom over the adjusted basis provided in Section 18041 for determining gain, and the loss shall be the excess of the adjusted basis provided in such section for determining loss over the amount realized.

(b) The amount realized from the sale or other disposition of property shall be the sum of any money received plus the fair market value of the property (other than money) received.

(c) In the case of a sale or exchange of property, the extent to which the gain or loss determined under this section shall be recognized for purposes of this part shall be determined under Section 18032.

(d) Nothing in this section shall be construed to prevent (in the case of property sold under contract providing for payment in installments) the taxation of that portion of any installment payment representing gain or profit in the year in which such payment is received.

18032. Except as otherwise provided in this part, on the sale or exchange of property the entire amount of the gain or loss, determined under Section 18031, shall be recognized. Recognition of entire gain or loss

Article 2. Basic Rules of General Application

18041. The adjusted basis for determining the gain or loss from the sale or other disposition of property, whenever acquired, shall be the basis (determined under Section 18042 or other applicable sections of this chapter and Chapters 4 (relating to corporate distributions and adjustments), 10 (relating to partners and partnerships), and 14 (relating to capital gains and losses)), adjusted as provided in Sections 18052 and 18053. Adjusted basis

18042. The basis of property shall be the cost of such property, except as otherwise provided in this chapter and Chapters 4 (relating to corporate distributions and adjustments), 10 (relating to partners and partnerships), and 14 (relating to capital gains and losses). Basis. Cost of property

18043. If the property should have been included in the last inventory, the basis shall be the last inventory value thereof. Inventory value

18044. Except as otherwise provided in this article, the basis of property in the hands of a person acquiring the property from a decedent or to whom the property passed from a decedent shall, if not sold, exchanged, or otherwise disposed of before the decedent's death by such person, be the fair market value of the property at the time of its acquisition. Property acquired from decedent

18045. For purposes of Section 18044, the following property shall be considered to have been acquired from or to have passed from the decedent: Property considered acquired or passed from decedent

(a) Property acquired by bequest, devise, or inheritance, or by the decedent's estate from the decedent;

(b) Property transferred by the decedent during his lifetime in trust to pay the income for life to or on the order or direction of the decedent, with the right reserved to the decedent at all times before his death to revoke the trust;

(c) Property transferred by the decedent during his lifetime in trust to pay the income for life to or on the order or direction of the decedent with the right reserved to the decedent at all times before his death to make any change in the

enjoyment thereof through the exercise of a power to alter, amend, or terminate the trust;

(d) Property passing without full and adequate consideration under a general power of appointment exercised by the decedent by will;

(e) In the case of decedents dying after April 8, 1953, property which represents the surviving spouse's one-half share of community property held by the decedent and the surviving spouse under the community property laws of any state, territory, or possession of the United States or any foreign country, if at least one-half of the whole of the community interest in such property was includible in determining the value of the decedent's gross estate under Chapter 3 of the California Inheritance Tax Law.

(f) In the case of decedents dying after December 31, 1952, property which represents the survivor's interest in a joint and survivor's annuity if the value of any part of such interest was required to be included in determining the value of decedent's gross estate under the California Inheritance Tax Law.

(g) In the case of decedents dying after December 31, 1954, property acquired from the decedent by reason of death, form of ownership, or other conditions (including property acquired through the exercise or nonexercise of a power of appointment), if by reason thereof the property is required to be included in determining the value of the decedent's estate under Division 2, Part 8 of the Revenue and Taxation Code. In such case, if the property is acquired before the death of the decedent, the basis shall be the amount determined under Section 18044 reduced by the amount allowed to the taxpayer as deductions in computing taxable income under this part or prior income tax laws or exhaustion, wear and tear, obsolescence, amortization, and depletion on such property before the death of the decedent. Such basis shall be applicable to the property commencing on the death of the decedent. This paragraph shall not apply to—

(A) Property described in any other subsection of this section.

Exceptions

18046. Sections 18044 and 18045 shall not apply to property which constitutes a right to receive an item of income in respect of a decedent under Sections 17831 to 17837, inclusive.

18047. Sections 18044 and 18045 shall not apply to restricted stock options described in Sections 17531 to 17540, inclusive, which the employee has not exercised at death.

Property
acquired
by gift

18049. If the property was acquired by gift after December 31, 1920, the basis shall be the same as it would be in the hands of the donor or the last preceding owner by whom it was not acquired by gift, except that if such basis (adjusted for the period before the date of the gift as provided in Sections 18052 and 18053) is greater than the fair market value of the property at the time of the gift, then for the purpose of determining loss the basis shall be such fair market value. If the facts necessary to determine the basis in the hands of

the donor or the last preceding owner are unknown to the donee, the Franchise Tax Board shall, if possible, obtain such facts from such donor or last preceding owner, or any other person cognizant thereof. If the Franchise Tax Board finds it impossible to obtain such facts, the basis in the hands of such donor or last preceding owner shall be the fair market value of such property as found by the Franchise Tax Board as of the date or approximate date at which, according to the best information that the Franchise Tax Board is able to obtain, such property was acquired by such donor or last preceding owner.

18050. If the property was acquired after December 31, 1920, by a transfer in trust (other than by a transfer in trust by a gift, bequest, or devise), the basis shall be the same as it would be in the hands of the grantor increased in the amount of gain or decreased in the amount of loss recognized to the grantor on such transfer under the law applicable to the year in which the transfer was made.

Transfer in
trust after
December
31, 1920

18051. If the property was acquired by gift or transfer in trust on or before December 31, 1920, the basis shall be the fair market value of such property at the time of such acquisition.

Gift or
transfer in
trust before
December
31, 1920

18052. Proper adjustment in respect of the property shall in all cases be made—

Adjustments
to basis
for capital
expenditures,
depreciation,
etc

(a) For expenditures, receipts, losses, or other items, properly chargeable to capital account, but no such adjustment shall be made—

(1) For taxes or other carrying charges described in Section 17286; or

(2) For expenditures described in Section 17222 (relating to circulation expenditures);
for which deductions have been taken by the taxpayer in determining taxable income for the taxable year or prior taxable years;

(b) For exhaustion, wear and tear, obsolescence, amortization and depletion, to the extent sustained prior to January 1, 1935, and for periods thereafter to the extent allowed (but not less than the amount allowable) under this part. However, if a taxpayer has not claimed an amortization deduction for an emergency facility, an adjustment shall be made only to the extent ordinarily provided under Section 17208.

(c) In the case of stock (to the extent not provided for in the foregoing subsection) for the amount of distributions previously made which, under the law applicable to the year in which the distribution was made, either were tax-free or were applicable in reduction of basis (not including distributions made by a corporation which was classified as a personal service corporation under the provisions of the Revenue Act of 1918 (40 Stat. 1057), or the Revenue Act of 1921 (42 Stat. 227), out of its earnings or profits which were taxable in accordance with the provisions of Section 218 of the Revenue Act of 1918 or 1921);

(d) In the case of any bond (as defined in Section 17220) the interest on which is wholly exempt from the tax imposed by this part, to the extent of the amortizable bond premium disallowable as a deduction pursuant to Section 17217;

(e) In the case of any short-term municipal bond (as defined in Section 17116), to the extent provided in Section 17115(b);

(f) In the case of a residence the acquisition of which resulted, under Sections 18091 to 18100, inclusive, in the non-recognition of any part of the gain realized on the sale, exchange, or involuntary conversion of another residence, to the extent provided in Sections 18091 to 18100, inclusive;

(g) In the case of property pledged to the Commodity Credit Corporation, to the extent of the amount received as a loan from the Commodity Credit Corporation and treated by the taxpayer as income for the year in which received pursuant to Section 17117, and to the extent of any deficiency on such loan with respect to which the taxpayer has been relieved from liability;

(h) For amounts allowed as deductions as deferred expenses under Section 17690(b) (relating to certain expenditures in the development of mines) and resulting in a reduction of the taxpayer's taxes under this part, but not less than the amounts allowable under such section for the taxable year and prior years;

(i) For amounts allowed as deductions as deferred expenses under Section 17689(b) (relating to certain exploration expenditures) and resulting in a reduction of the taxpayer's taxes under this part but not less than the amounts allowable under such section for the taxable year and prior years;

(j) For deductions to the extent disallowed under Section 17291 (relating to sale of land with unharvested crops), notwithstanding the provisions of any other subsection of this section.

Adjustments
in substi-
tuted basis

18053. Whenever it appears that the basis of property in the hands of the taxpayer is a substituted basis, then the adjustments provided in Section 18052 shall be made after first making in respect of such substituted basis proper adjustments of a similar nature in respect of the period during which the property was held by the transferor, donor, or grantor, or during which the other property was held by the person for whom the basis is to be determined. A similar rule shall be applied in the case of a series of substituted bases. The term "substituted basis" as used in this section means a basis determined under any provision of this chapter and Chapters 4 (relating to corporate distributions and adjustments), 10 (relating to partners and partnerships), and 14 (relating to capital gains and losses), or under any corresponding provision of a prior income tax law, providing that the basis shall be determined—

(a) By reference to the basis in the hands of a transferor, donor, or grantor; or

(b) By reference to other property held at any time by the person for whom the basis is to be determined.

18054. Where any amount is excluded from gross income under Section 17142(a) (relating to income from discharge of indebtedness) on account of the discharge of indebtedness the whole or a part of the amount so excluded from gross income shall be applied in reduction of the basis of any property held (whether before or after the time of the discharge) by the taxpayer during any portion of the taxable year in which such discharge occurred. The amount to be so applied (not in excess of the amount so excluded from gross income, reduced by the amount of any deduction disallowed under Section 17142(a)) and the particular properties to which the reduction shall be allocated, shall be determined under regulations (prescribed by the Franchise Tax Board) in effect at the time of the filing of the consent by the taxpayer referred to in Section 17142(a). The reduction shall be made as of the first day of the taxable year in which the discharge occurred, except in the case of property not held by the taxpayer on such first day, in which case it shall take effect as of the time the holding of the taxpayer began.

Reduction
of basis upon
cancellation
of indebted-
ness

18055. Neither the basis nor the adjusted basis of any portion of real property shall, in the case of the lessor of such property, be increased or diminished on account of income derived by the lessor in respect of such property and excludable from gross income under Section 17143 (relating to improvements by lessee on lessor's property). If an amount representing any part of the value of real property attributable to buildings erected or other improvements made by a lessee in respect of such property was included in gross income of the lessor for any taxable year beginning before January 1, 1943, the basis of each portion of such property shall be properly adjusted for the amount so included in gross income.

Adjustments
for lessee's
improve-
ments

Article 3. Common Nontaxable Exchanges

18081. (a) No gain or loss shall be recognized if property held for productive use in trade or business or for investment (not including stock in trade or other property held primarily for sale, nor stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidences of indebtedness or interest) is exchanged solely for property of a like kind to be held either for productive use in trade or business or for investment.

Exchange for
property of
like kind

(b) If an exchange would be within the provisions of subsection (a), of Section 18101, or of Section 18102, if it were not for the fact that the property received in exchange consists not only of property permitted by such provisions to be received without the recognition of gain, but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property.

Exchanges
not solely in
kind Gains

Loss

(c) If an exchange would be within the provisions of subsection (a), of Section 18101, or of Section 18102, if it were not for the fact that the property received in exchange consists not only of property permitted by such provisions to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange shall be recognized.

Basis

(d) If property was acquired on an exchange described in this section, Section 18101, or Section 18102, then the basis shall be the same as that of the property exchanged decreased in the amount of any money received by the taxpayer and increased in the amount of gain to the taxpayer that was recognized on such exchange. If the property so acquired consisted in part of the type of property permitted by this section, Section 18101, or Section 18102, to be received without the recognition of gain or loss, and in part of other property, the basis provided in this subsection shall be allocated between the properties (other than money) received, and for the purpose of the allocation there shall be assigned to such other property an amount equivalent to its fair market value at the date of the exchange. For purposes of this section, Section 18101, and Section 18102, where as part of the consideration to the taxpayer another party to the exchange assumed a liability of the taxpayer or acquired from the taxpayer property subject to a liability, such assumption or acquisition (in the amount of the liability) shall be considered as money received by the taxpayer on the exchange.

Involuntary
conversion

18082. If property (as a result of its destruction in whole or in part, theft, seizure, or requisition or condemnation or threat or imminence thereof) is compulsorily or involuntarily converted—

(a) Into property similar or related in service or use to the property so converted, no gain shall be recognized

(b) Into money, and the disposition of the converted property occurred before January 1, 1953, no gain shall be recognized if such money is forthwith in good faith, under regulations prescribed by the Franchise Tax Board, expended in the acquisition of other property similar or related in service or use to the property so converted, or in the acquisition of control of a corporation owning such other property, or in the establishment of a replacement fund. If any part of the money is not so expended, the gain shall be recognized to the extent of the money which is not so expended (regardless of whether such money is received in one or more taxable years and regardless of whether or not the money which is not so expended constitutes gain). For the purposes of this section and Section 18083, the term "disposition of the converted property" means the destruction, theft, seizure, requisition, or condemnation of the converted property, or the sale or exchange of such property under threat or imminence of requisition or condemnation.

(c) Into money or into property not similar or related in service or use to the converted property, and the disposition

of the converted property (as defined in subsection (b)) occurred after December 31, 1952, the gain (if any) shall be recognized except to the extent hereinafter provided in Section 18083.

18083. If the taxpayer during the period specified in Section 18084, for the purpose of replacing the property so converted, purchases other property similar or related in service or use to the property so converted, or purchases stock in the acquisition of control of a corporation owning such other property, at the election of the taxpayer the gain shall be recognized only to the extent that the amount realized upon such conversion (regardless of whether such amount is received in one or more taxable years) exceeds the cost of such other property or such stock. Such election shall be made at such time and in such manner as the Franchise Tax Board may by regulations prescribe. For the purposes of this section—

Property
acquired
upon invol-
untary
conversion
Taxpayer's
election

(a) No property or stock acquired before the disposition of the converted property shall be considered to have been acquired for the purpose of replacing such converted property unless held by the taxpayer on the date of such disposition; and

(b) The taxpayer shall be considered to have purchased property or stock only if, but for the provisions of Section 18088, the unadjusted basis of such property or stock would be its cost within the meaning of Section 18042

18084. The period referred to in Section 18083 shall be the period beginning with the date of the disposition of the converted property, or the earliest date of the threat or imminence of requisition or condemnation of the converted property, whichever is the earlier, and ending—

Time
limitation

(a) One year after the close of the first taxable year in which any part of the gain upon the conversion is realized; or

(b) Subject to such terms and conditions as may be specified by the Franchise Tax Board, at the close of such later date as the Franchise Tax Board may designate upon application by the taxpayer. Such application shall be made at such time and in such manner as the Franchise Tax Board may by regulations prescribe.

18085. If a taxpayer has made the election provided in Section 18083, then: (a) the statutory period for the assessment of any deficiency, for any taxable year in which any part of the gain upon such conversion is realized, attributable to such gain shall not expire prior to the expiration of four years from the date the Franchise Tax Board is notified by the taxpayer (in such manner as the Franchise Tax Board may by regulations prescribe) of the replacement of the converted property or of an intention not to replace; and (b) such deficiency may be assessed prior to the expiration of such four-year period notwithstanding the provisions of Section 18586 or the provisions of any other law or rule of law which would otherwise prevent such assessment.

Effect of
election
Deficiency
assessment
period

Deficiency
assessment

18086. If the election provided in Section 18083 is made by the taxpayer and such other property or such stock was purchased prior to the beginning of the last taxable year in which any part of the gain upon such conversion is realized, any deficiency, to the extent resulting from such election, for any taxable year ending before such last taxable year may be assessed (notwithstanding the provisions of Section 18586 or the provisions of any other law or rule of law which would otherwise prevent such assessment) at any time before the expiration of the period within which a deficiency for such last taxable year may be assessed.

Residence of
taxpayer

18087. Sections 18082 to 18086, inclusive, shall not apply in the case of property used by a taxpayer as his principal residence, if the destruction, theft, seizure, requisition or condemnation of the residence, or the sale or exchange of such residence under threat or imminence thereof, occurs after December 31, 1951, and before January 1, 1955.

Basis of
property
acquired
after
February
28, 1913

18088. If the property was acquired, after February 28, 1913, as the result of a compulsory or involuntary conversion described in Section 18082(a) or (b), the basis shall be the same as in the case of the property so converted, decreased in the amount of any money received by the taxpayer which was not expended in accordance with the provisions of law (applicable to the year in which such conversion was made) determining the taxable status of the gain or loss upon such conversion, and increased in the amount of gain or decreased in the amount of loss to the taxpayer recognized upon such conversion under the law applicable to the year in which such conversion was made. This section shall not apply in respect of property acquired as a result of a compulsory or involuntary conversion of property used by the taxpayer as his principal residence if the destruction, theft, seizure, requisition, or condemnation of such residence, or the sale or exchange of such residence under threat or imminence thereof, occurred after December 31, 1951, and before January 1, 1955. In the case of property purchased by the taxpayer in a transaction described in Sections 18082 to 18086, inclusive, which resulted in the nonrecognition of any part of the gain realized as the result of a compulsory or involuntary conversion, the basis shall be the cost of such property decreased in the amount of the gain not so recognized; and if the property purchased consists of more than one piece of property, the basis determined under this sentence shall be allocated to the purchased properties in proportion to their respective costs.

Sale of "old
residence"
after
December
31, 1952

18091. If property (hereinafter in this article called "old residence") used by the taxpayer as his principal residence is sold by him after December 31, 1952, and, within a period beginning one year prior to the date of such sale and ending one year after such date, property (hereinafter in this article called "new residence") is purchased and used by the taxpayer as his principal residence, gain (if any) from such sale shall be recognized only to the extent that the taxpayer's

selling price of the old residence exceeds the taxpayer's cost of purchasing the new residence.

18093. For purposes of this article—

(a) An exchange by the taxpayer of his residence for other property shall be treated as a sale of such residence, and the acquisition of a residence on the exchange of property shall be treated as a purchase of such residence. Exchange, involuntary conversion

(b) A residence any part of which was constructed or reconstructed by the taxpayer shall be treated as purchased by the taxpayer. In determining the taxpayer's cost of purchasing a residence, there shall be included only so much of his cost as is attributable to the acquisition, construction, reconstruction, and improvements made which are properly chargeable to capital account, during the period specified in Section 18091.

(c) If a residence is purchased by the taxpayer before the date of his sale of the old residence, the purchased residence shall not be treated as his new residence if sold or otherwise disposed of by him before the date of the sale of the old residence.

(d) If the taxpayer, during the period described in Section 18091, purchases more than one residence which is used by him as his principal residence at some time within one year after the date of the sale of the old residence, only the last of such residences so used by him after the date of such sale shall constitute the new residence.

(e) In the case of a new residence the construction of which was commenced by the taxpayer before the expiration of one year after the date of the sale of the old residence, the period specified in Section 18091, and the one year referred to in subsection (d) of this section, shall be treated as including a period of 18 months beginning with the date of the sale of the old residence.

18094. The provisions of Section 18091 shall not be applicable with respect to the sale of the taxpayer's residence if within one year prior to the date of such sale the taxpayer sold at a gain other property used by him as his principal residence, and any part of such gain was not recognized by reason of the provisions of Section 18091 or 17690.1 of the Personal Income Tax Law of 1954. Resale of acquired property

18095. Where the purchase of a new residence results, under Section 18091 or 17690.1 of the Personal Income Tax Law of 1954, in the nonrecognition of gain upon the sale of an old residence, in determining the adjusted basis of the new residence as of any time following the sale of the old residence, the adjustments to basis shall include a reduction by an amount equal to the amount of the gain not so recognized upon the sale of the old residence. For this purpose, the amount of the gain not so recognized upon the sale of the old residence includes only so much of such gain as is not recognized by reason of the cost, up to such time, of purchasing the new residence. Adjusted basis of new residence

Cooperative
apartment

18096. For the purposes of this article, Section 18052(f), and Section 18169, references to property used by the taxpayer as his principal residence, and references to the residence of a taxpayer, shall include stock held by a tenant-stockholder (as defined in Section 17265(b)) in a cooperative apartment as defined in Section 17265(a) if—

(a) In the case of stock sold, the apartment which the taxpayer was entitled to occupy as such stockholder was used by him as his principal residence; and

(b) In the case of stock purchased, the taxpayer used as his principal residence the apartment which he was entitled to occupy as such stockholder.

Allocations
between
spouses

18097. If the taxpayer and his spouse, in accordance with regulations which shall be prescribed by the Franchise Tax Board pursuant to this section, consent to the application of subdivision (b) of this section, then—

(a) For the purposes of this section, the words “taxpayer’s selling price of the old residence” shall mean the selling price (of the taxpayer, or of the taxpayer and his spouse) of the old residence, and the words “taxpayer’s cost of purchasing the new residence” shall mean the cost (to the taxpayer, his spouse, or both) of purchasing the new residence (whether held by the taxpayer, his spouse, or the taxpayer and his spouse); and

(b) So much of the gain upon the sale of the old residence as is not recognized solely by reason of this section, and so much of the adjustment under Section 18095 to the basis of the new residence as results solely from this section shall be allocated between the taxpayer and his spouse as provided in such regulations.

This section shall apply only if the old residence and the new residence are each used by the taxpayer and his spouse as their principal residence. In case the taxpayer and his spouse do not consent to the application of subsection (b) of this section, then the recognition of gain upon the sale of the old residence shall be determined under this article without regard to the rules provided in this section.

Tolling
statute of
limitations
Military
service

18098. The running of any period of time specified in Section 18091 or 18093 (other than the one year referred to in Section 18093(d)) shall be suspended during any time that the taxpayer (or his spouse if the old residence and the new residence are each used by the taxpayer and his spouse as their principal residence) serves on extended active duty with the armed forces of the United States after the date of the sale of the old residence and during an induction period (as defined in Section 17025), except that any such period as so suspended shall not extend beyond the date four years after the date of the sale of the old residence. For the purpose of this section, the term “extended active duty” means any period of active duty pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period.

18099. (a) For purposes of Sections 18091 to 18098, inclusive, the destruction, theft, seizure, requisition, or condemnation of property, or the sale or exchange of property under threat or imminence thereof—

When property destroyed etc., treated as sale

(1) If occurring after December 31, 1952, and before January 1, 1955, shall be treated as the sale of such property; and

(2) If occurring after December 31, 1954, shall not be treated as the sale of such property.

(b) For treatment of residences involuntarily converted after December 31, 1955, see Sections 18082 to 18088, inclusive, (relating to involuntary conversions).

18100. If after December 31, 1952, the taxpayer during a taxable year sells at a gain property used by him as his principal residence, then—

Period for deficiency assessment

(a) The statutory period for the assessment of any deficiency attributable to any part of such gain shall not expire prior to the expiration of four years from the date the Franchise Tax Board is notified by the taxpayer (in such manner as the board may by regulations prescribe) of—

(1) The taxpayer's cost of purchasing the new residence which the taxpayer claims results in nonrecognition of any part of such gain;

(2) The taxpayer's intention not to purchase a new residence within the period specified in Section 18091; or

(3) A failure to make such purchase within such period; and

(b) Such deficiency may be assessed prior to the expiration of such four-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.

18101. (a) No gain or loss shall be recognized on the exchange of—

Exchange for annuity contract

(1) A contract of life insurance for another contract of life insurance or for an endowment or annuity contract; or

(2) A contract of endowment insurance (A) for another contract of endowment insurance which provides for regular payments beginning at a date not later than the date payments would have begun under the contract exchanged, or (B) for an annuity contract; or

(3) An annuity contract for an annuity contract.

(b) For the purpose of this section—

(1) A contract of endowment insurance is a contract with a life insurance company which depends in part on the expectancy of the insured, but which may be payable in a single payment during his life.

(2) An annuity contract is a contract to which paragraph (1) applies but which may be payable during the life annuitant only in installments.

(3) A contract of life insurance is a contract to which paragraph (1) applies but which is not ordinarily payable full during the life of the insured.

(c) (1) For rules relating to recognition of gain or loss where an exchange is not solely in kind, see subsections (b) and (c) of Section 18081.

(2) For rules relating to the basis of property acquired in an exchange described in subsection (a), see subsection (d) of Section 18081.

Exchange of
stock for
stock in same
corporation

18102. (a) No gain or loss shall be recognized if common stock in a corporation is exchanged solely for common stock in the same corporation, or if preferred stock in a corporation is exchanged solely for preferred stock in the same corporation.

(b) (1) For rules relating to recognition of gain or loss where an exchange is not solely in kind, see subsections (b) and (c) of Section 18081.

(2) For rules relating to the basis of property acquired in an exchange described in subsection (a), see subsection (d) of Section 18081.

Article 4. Special Rules

Special
rules for
determining
basis

18111. (a) If the property was acquired, after February 28, 1913, in any taxable year beginning before January 1, 1934, and the basis thereof, for purposes of the Revenue Act of 1932 was prescribed by Section 113(a)(6), (7), or (9) or such act (47 Stat. 199), then for purposes of this part the basis shall be the same as the basis therein prescribed in the Revenue Act of 1932.

(b) If the property was acquired, after February 28, 1913, in any taxable year beginning before January 1, 1936, and the basis thereof, for purposes of the Revenue Act of 1934, was prescribed by Section 113(a)(6), (7), or (8) of such act (48 Stat. 706), then for purposes of this part the basis shall be the same as the basis therein prescribed in the Revenue Act of 1934.

(c) If the property was acquired, after February 28, 1913, in a transaction to which the Personal Income Tax Law of 1954 applied, and the basis thereof, for purposes of the Personal Income Tax Law of 1954, was prescribed by Section 17747, 17751, 17755, 17756, 17757, 17758, or 17788 of such law, then for purposes of this part the basis shall be the same as the basis therein prescribed in the Personal Income Tax Law of 1954.

§

18112. In the case of property acquired before March 1, 1913, if the basis otherwise determined under this part, adjusted (for the period before March 1, 1913) as provided in Sections 18052 and 18053, is less than the fair market value of the property as of March 1, 1913, then the basis for determining gain shall be such fair market value. In determining the fair market value of stock in a corporation as of March 1, 1913, due regard shall be given to the fair market value of the assets of the corporation as of that date.

Article 5. Exchanges to Effectuate F. C. C. Policy

18121. (a) If the sale or exchange of property (including stock in a corporation) is certified by the Federal Communications Commission to be necessary or appropriate to effectuate the policies of the commission with respect to the ownership and control of radio broadcasting stations, such sale or exchange shall, if the taxpayer so elects, be treated as an involuntary conversion of such property within the meaning of Sections 18082 to 18088, inclusive. For purposes of such sections as made applicable by the provisions of this section, stock of a corporation operating a radio broadcasting station, whether or not representing control of such corporation, shall be treated as property similar or related in service or use to the property so converted. The part of the gain, if any, on such sale or exchange to which Sections 18082 to 18088, inclusive, is not applied shall nevertheless not be recognized, if the taxpayer so elects, to the extent that it is applied to reduce the basis for determining gain or loss on sale or exchange of property of a character subject to the allowance for depreciation under Sections 17208 and 17209, inclusive, remaining in the hands of the taxpayer immediately after the sale or exchange, or acquired in the same taxable year. The manner and amount of such reduction shall be determined under regulations prescribed by the Franchise Tax Board. Any election made by the taxpayer under this section shall be made by a statement to that effect in his return for the taxable year in which the sale or exchange takes place, and such election shall be binding for the taxable year and all subsequent taxable years.

Exchanges to
effectuate
F C C
policy

(b) For basis of property acquired on a sale or exchange treated as an involuntary conversion under subsection (a), see Section 18088.

Article 6. Exchanges in Obedience to S. E. C. Orders

18131. No gain or loss shall be recognized to a shareholder from a distribution of stocks or securities in liquidation of a corporation made pursuant to an order of the Federal Securities and Exchange Commission under authority vested in it by the Public Utility Holding Company Act of 1935, as amended.

Exchanges in
obedience to
S E C
orders
Nonrecogni-
tion of
gain or loss

18132. (a) If an exchange would be within the provisions of Section 18131 if it were not for the fact that property received in exchange consists not only of property permitted by such section to be received without the recognition of gain or loss, but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property, and the loss, if any, to the recipient shall not be recognized.

Exchanges
not solely
in kind

(b) If an exchange is within the provisions of subsection (a) and if it includes a distribution which has the effect of the distribution of a taxable dividend, then there shall be taxed as a dividend to each distributee such an amount of the gain recognized under such subsection as is not in excess of his ratable share of the undistributed earnings and profits of the corporation accumulated after February 28, 1913. The remainder, if any, of the gain recognized under subsection (a) shall be taxed as a gain from the exchange of property.

Limitations

18133. The provisions of Section 18131 shall not apply to an exchange, expenditure, investment, distribution, or sale unless—

(a) The order of the Securities and Exchange Commission in obedience to which such exchange, expenditure, investment, distribution, or sale was made recites that such exchange, expenditure, investment, distribution, or sale is necessary or appropriate to effectuate the provisions of Section 11(b) of the Public Utility Holding Company Act of 1935 (49 Stat. 820; 15 U. S. C. 79k(b));

(b) Such order specifies and itemizes the stock and securities and other property which are ordered to be acquired, transferred, received, or sold on such exchange, acquisition, expenditure, distribution, or sale, and, in the case of an investment, the investment to be made; and

(c) Such exchange, acquisition, expenditure, investment, distribution, or sale was made in obedience to such order, and was completed within the time prescribed therefor.

Application

18134. If a distribution described in Section 18131, or an exchange or distribution made in obedience to an order of the Securities and Exchange Commission, is within any of the provisions of this article and may also be considered to be within any of the other provisions of this chapter and Chapter 4 (Section 17321 and following, relating to corporate distributions and adjustments), then the provisions of this article only shall apply.

Basis
Securities
acquired
after
January 1,
1939

18135. In the case of stocks or securities received by a taxpayer on or after January 1, 1939, under circumstances described in Section 18131 the basis of such stocks or securities shall be the same as that of the stocks or securities for the surrender of which they were acquired.

Article 7. Wash Sales of Stock or Securities

Wash sales
of stock or
securities
loss

18141. In the case of any loss claimed to have been sustained from any sale or other disposition of shares of stock or securities where it appears that, within a period beginning 30 days before the date of the sale or disposition and ending 30 days after that date, the taxpayer has acquired (by purchase or by an exchange upon which the entire amount of gain or loss was recognized by law) or has entered into a contract or option so to acquire, substantially identical stock or securities, then no deduction for the loss shall be allowed.

If the amount of stock or securities acquired (or covered by the contract or option to acquire) is less than the amount of stock or securities sold or otherwise disposed of, then the particular shares of stock or securities the loss from the sale or other disposition of which is not deductible shall be determined under rules and regulations prescribed by the Franchise Tax Board.

If the amount of stock or securities acquired (or covered by the contract or option to acquire) is not less than the amount of stock or securities sold or otherwise disposed of, then the particular shares of stock or securities the acquisition of which (or the contract or option to acquire which) resulted in the nondeductibility of the loss shall be determined under the rules and regulations prescribed by the Franchise Tax Board.

18142. If the property consists of stock or securities the acquisition of which (or the contract or option to acquire which) resulted in the nondeductibility (under this section or corresponding provisions of prior income tax laws) of the loss from the sale or other disposition of substantially identical stock or securities, then the basis shall be the basis of the stock or securities so sold or disposed of, increased or decreased, as the case may be, by the difference, if any, between the price at which the property was acquired and the price at which such substantially identical stock or securities were sold or otherwise disposed of. Basis

CHAPTER 14. CAPITAL GAINS AND LOSSES

Article 1. Gain or Loss Taken Into Account

18151. In the case of any taxpayer, only the following percentages of the gain or loss recognized upon the sale or exchange of a capital asset shall be taken into account in computing taxable income: Capital gain or loss
Percentage recognized

One hundred percent if the capital asset has been held for not more than one year;

Eighty percent if the capital asset has been held for more than one year but not for more than two years;

Sixty percent if the capital asset has been held for more than two years but not more than five years;

Forty percent if the capital asset has been held for more than five years but not for more than ten years;

Thirty percent if the capital asset has been held for more than ten years.

18152. Losses from sales or exchanges of capital assets shall be allowed only to the extent of two thousand dollars (\$2,000) plus the gains from such sales or exchanges. Limitation on capital losses

However, in the case of a joint return by husband and wife, losses from sales or exchanges of capital assets shall be allowed only to the extent of four thousand dollars (\$4,000) plus the gains from such sales or exchanges.

Article 2. General Rules for Determining Capital Gains and Losses

"Capital
asset"

18161. For purposes of this part, the term "capital asset" means property held by the taxpayer (whether or not connected with his trade or business), but does not include—

(a) Stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business;

(b) Property, used in his trade or business, of a character which is subject to the allowance for depreciation provided in Sections 17208 and 17209. or real property used in his trade or business;

(c) A copyright, a literary, musical, or artistic composition, or similar property, held by—

(1) A taxpayer whose personal efforts created such property; or

(2) A taxpayer in whose hands the basis of such property is determined, for the purpose of determining gain from a sale or exchange, in whole or in part by reference to the basis of such property in the hands of the person whose personal efforts created such property;

(d) Accounts or notes receivable acquired in the ordinary course of trade or business for services rendered or from the sale of property described in subsection (a).

Holding
period of
property
Computation

18163. In determining the period for which the taxpayer has held property received in an exchange, there shall be included the period for which he held the property exchanged if, under this part, the property has, for the purpose of determining gain or loss from a sale or exchange, the same basis in whole or in part in his hands as the property exchanged, and, in the case of such exchanges after December 31, 1954, the property exchanged at the time of such exchange was a capital asset as defined in Section 18161 or property described in Section 18181 or 18182. For purposes of this section—

(a) An involuntary conversion described in Sections 18082 to 18088, inclusive, shall be considered an exchange of the property converted for the property acquired; and

(b) A distribution to which Section 17433 or 17434 (or so much of Section 17435 as relates to Section 17433 or 17434) applies shall be treated as an exchange.

Tacking on
holding
periods

18164. In determining the period for which the taxpayer has held property however acquired there shall be included the period for which such property was held by any other person, if under this part such property has, for the purpose of determining gain or loss from a sale or exchange, the same

basis in whole or in part in his hands as it would have in the hands of such other person.

18165. In determining the period for which the taxpayer has held stock or securities received upon a distribution where no gain was recognized to the distributee under Section 18132 (or under Section 112(g) of the Revenue Act of 1928, 45 Stat. 818, or the Revenue Act of 1932, 48 Stat. 705), there shall be included the period for which he held the stock or securities in the distributing corporation before the receipt of the stock or securities on such distribution.

Holding in
distributing
corporation
before
receipt

18166. In determining the period for which the taxpayer has held stock or securities the acquisition of which (or the contract or option to acquire which) resulted in the non-deductibility (under Section 18141 relating to wash sales) of the loss from the sale or other disposition of substantially identical stock or securities, there shall be included the period for which he held the stock or securities the loss from the sale or other disposition of which was not deductible.

Effect of
wash sales

18167. In determining the period for which the taxpayer has held stock or rights to acquire stock received on a distribution, if the basis of such stock or rights is determined under Section 17348 (or under so much of Section 18111(c) as refers to Section 17788 of the Personal Income Tax Law of 1954), there shall (under regulations prescribed by the Franchise Tax Board) be included the period for which he held the stock in the distributing corporation before the receipt of such stock or rights upon such distribution.

Stock
options

18168. In determining the period for which the taxpayer has held stock or securities acquired from a corporation by the exercise of rights to acquire such stock or securities, there shall be included only the period beginning with the date on which the right to acquire was exercised.

Exercise of
option

18169. In determining the period for which the taxpayer has held a residence, the acquisition of which resulted under Sections 18091 to 18100, inclusive, in the nonrecognition of any part of the gain realized on the sale or exchange of another residence, there shall be included the period for which such other residence had been held as of the date of such sale or exchange. For purposes of this paragraph, the term "sale or exchange" includes an involuntary conversion occurring after December 31, 1952, and before January 1, 1955.

Sale or
exchange of
residence

18170. In determining the period for which the taxpayer has held a commodity acquired in satisfaction of a commodity futures contract there shall be included the period for which he held the commodity futures contract if such commodity futures contract was a capital asset in his hands.

Commodity
futures
contract

18171. Any reference in Sections 18163 to 18170, inclusive, to a provision of this part shall, where applicable, be deemed a reference to the corresponding provision of the Personal Income Tax Law of 1954, or prior income tax laws.

Construction

Article 3. Special Rules for Determining Capital Gains and Losses

Computation
of capital
gains and
losses
Property
used in
trade or
business, etc

18181. (a) If during the taxable year, the recognized gains upon sales or exchanges of property used in the trade or business, plus the recognized gains from the compulsory or involuntary conversion, as a result of destruction in whole or in part, theft or seizure, or an exercise of the power of requisition or condemnation or the threat or imminence thereof, of property used in the trade or business and capital assets into other property or money, exceed the recognized losses from the sales, exchanges, and conversions, the gains and losses shall be considered as gains and losses from sales or exchanges of capital assets. If the gains do not exceed the losses, the gains and losses shall not be considered as gains and losses from sales or exchanges of capital assets.

(b) In determining, for purposes of subsection (a), whether gains exceed losses, the gains and losses described therein shall be included only if and to the extent taken into account in computing taxable income except that Sections 18151 and 18152 shall not apply.

(c) For purposes of subsection (a), losses upon the destruction, in whole or in part, theft or seizure, or requisition or condemnation of property used in the trade or business or capital assets shall be considered losses from a compulsory or involuntary conversion.

"Property
used in
trade or
business"

18182. (a) For the purposes of Section 18181, the term "property used in the trade or business" means property used in the trade or business, of a character which is subject to the allowance for depreciation provided in Section 17208 and real property used in the trade or business, which is not.

(1) Property of a kind which would properly be includible in the inventory of the taxpayer if on hand at the close of the taxable year; or

(2) Property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business; or

(3) A copyright, a literary, musical or artistic composition, or similar property, held by a taxpayer described in Section 18161(c).

(b) Such term also includes timber with respect to which Sections 17711 and 17712 are applicable. Such term also includes livestock, regardless of age, held by the taxpayer for draft, breeding, or dairy purposes, and held by him for 12 months or more from the date of acquisition. It does not include poultry.

(c) In the case of an unharvested crop on land used in the trade or business and held for more than one year, if the crop and the land are sold or exchanged (or compulsorily or involuntarily converted as described in Section 18181) at the same time and to the same person, the crop shall be considered as "property used in the trade or business."

18183. For the purpose of this part, in the case of bonds, debentures, notes, or certificates or other evidences of indebtedness, which are capital assets in the hands of the tax payer, and which are issued by any corporation, or government or political subdivision thereof—

Bonds and other evidences of indebtedness

(a) Amounts received by the holder on retirement of such bonds or other evidences of indebtedness shall be considered as amounts received in exchange therefor (except that in the case of bonds or other evidences of indebtedness issued before January 1, 1955, this paragraph shall apply only to those issued with interest coupons or in registered form, or to those in such form on December 31, 1954).

(b) (1) Except as provided in subsection (2), upon sale or exchange of bonds or other evidences of indebtedness issued after December 31, 1954, any gain realized which does not exceed an amount which bears the same ratio to the original issue discount (as defined in Section 18184) as the number of complete months that the bond or other evidences of indebtedness were held by the taxpayer bears to the number of complete months from the date of original issue to the date of maturity, shall be considered as gain from the sale or exchange of property which is not a capital asset. Gain in excess of such amount shall be considered gain from the sale or exchange of a capital asset.

(2) This subsection shall not apply to—

Exceptions

(A) Obligations the interest on which is not includible in gross income under Section 17137 (relating to certain governmental obligations); or

(B) Any holder who has purchased the bond or other evidence of indebtedness at a premium.

(3) In the case of obligations with respect to which the taxpayer has made an election provided by Section 17581 (relating to accounting rules for certain obligations issued at a discount), this section shall not require the inclusion of any amount previously includible in gross income.

18184. (a) For purposes of Section 18183, the term “original issue discount” means the difference between the issue price and the stated redemption price at maturity. If the original issue discount is less than one-fourth of 1 percent of the redemption price at maturity multiplied by the number of complete years to maturity, then the issue discount shall be considered to be zero. For purposes of this subsection, the term “stated redemption price at maturity” means the amount fixed by the last modification of the purchase agreement and includes dividends payable at that time.

“Original issue discount”

(b) In the case of issues of bonds or other evidences of indebtedness registered with the Securities and Exchange Commission, the term “issue price” means the initial offering price to the public (excluding bond houses and brokers) at which price a substantial amount of such bonds or other evidences of indebtedness were sold. In the case of privately placed issues of bonds or other evidence of indebtedness, the

“Issue price”

issue price of each such bond or other evidence of indebtedness is the price paid by the first buyer of such bond. For purposes of this subsection, the terms "initial offering price" and "price paid by the first buyer" include the aggregate payments made by the purchaser under the purchase agreement, including modifications thereof.

"Date of original issue"

(c) In the case of issues of bonds or other evidences of indebtedness registered with the Securities and Exchange Commission, the term "date of original issue" means the date on which the issue was first sold to the public at the issue price. In the case of privately placed issues of bonds or other evidences of indebtedness, the term "date of original issue" means the date on which each such bond or other evidence of indebtedness was sold by the issuer.

18185. If—

Bonds with excess number of coupons attached

(a) A bond or other evidence of indebtedness issued at any time with interest coupons is purchased after the date of enactment of this part; and

(b) The purchaser does not receive all the coupons which first become payable more than 12 months after the date of the purchase;

then the gain on the sale or other disposition of such evidence of indebtedness by such purchaser shall be considered as gain from the sale or exchange of property which is not a capital asset to the extent that the market value (determined as of the time of the purchase) of the evidence of indebtedness with coupons attached exceeds the purchase price. If this section and Section 18183(b)(1) apply with respect to gain realized on the retirement of any bond, then Section 18183(b)(1) shall apply with respect to that part of the gain to which this section does not apply.

Gain or loss from short sale

18186. For purposes of this part, gain or loss from the short sale of property shall be considered as gain or loss from the sale or exchange of a capital asset.

Option to buy or sell real property

18191. Gain or loss attributable to the sale or exchange of, or loss on failure to exercise, a privilege or option to buy or sell property which in the hands of the taxpayer constitutes (or if acquired would constitute) a capital asset shall be considered gain or loss from the sale or exchange of a capital asset held for one year or less.

Transfer of patents

18192. A transfer (other than by gift, inheritance, or devise) of property consisting of all substantial rights to a patent, or an undivided interest therein which includes a part of all such rights, by any holder shall be considered the sale or exchange of a capital asset, regardless of whether or not payments in consideration of such transfer are—

(a) Payable periodically over a period generally coterminous with the transferee's use of the patent; or

(b) Contingent on the productivity, use, or disposition of the property transferred.

"Holder"

18193. For purposes of Section 18192, the term "holder" means—

(a) Any individual whose efforts created such property; or
(b) Any other individual who has acquired his interest in such property in exchange for consideration in money or money's worth paid to such creator prior to actual reduction to practice of the invention covered by the patent, if such individual is neither—

(1) The employer of such creator; nor

(2) Related to such creator (within the meaning of Section 18195).

18194. Section 18192 shall be applicable with regard to any amounts received, or payments made, pursuant to a transfer described in Section 18192 in any taxable year beginning after December 31, 1954. Application

18195. Section 18192 shall not apply to any sale or exchange between an individual and any other related person (as defined in Section 17288), except brothers and sisters, whether by the whole or half blood. Related persons

18196. (a) Gain by a dealer in securities from the sale or exchange of any security shall in no event be considered as gain from the sale or exchange of a capital asset unless— Dealers in securities

(1) The security was, before the expiration of the thirtieth day after the date of its acquisition, clearly identified in the dealer's records as a security held for investment or if acquired before March 8, 1953, was so identified before April 8, 1953; and

(2) The security was not, at any time after the expiration of such thirtieth day, held by such dealer primarily for sale to customers in the ordinary course of his trade or business.

(b) Loss by a dealer in securities from the sale or exchange of any security shall in no event be considered as loss from the sale or exchange of property which is not a capital asset if at any time after April 8, 1953, the security was clearly identified in the dealer's records as a security held for investment.

(c) For purposes of this section, the term "security" means any share of stock in any corporation, certificate of stock or interest in any corporation, note, bond, debenture, or evidence of indebtedness, or any evidence of an interest in or right to subscribe to or purchase any of the foregoing.

18197. Any lot or parcel which is part of a tract of real property in the hands of a taxpayer shall not be deemed to be held primarily for sale to customers in the ordinary course of trade or business at the time of sale solely because of the taxpayer having subdivided such tract for purposes of sale or because of any activity incident to such subdivision or sale, if— Real property held for sale

(a) Such tract, or any lot or parcel thereof, had not previously been held by such taxpayer primarily for sale to customers in the ordinary course of trade or business (unless such tract at such previous time would have been covered by this section) or, in the same taxable year in which the sale occurs, such taxpayer does not so hold any other real property; and

(b) No substantial improvement that substantially enhances the value of the lot or parcel sold is made by the taxpayer on

such tract while held by the taxpayer or is made pursuant to a contract of sale entered into between the taxpayer and the buyer. For purposes of this subsection, an improvement shall be deemed to be made by the taxpayer if such improvement was made by—

(1) The taxpayer or members of his family (as defined in Section 17289(d)), by a corporation controlled by the taxpayer, or by a partnership which included the taxpayer as a partner; or

(2) A lessee, but only if the improvement constitutes income to the taxpayer; or

(3) Federal, state, or local government, or political subdivision thereof, but only if the improvement constitutes an addition to basis for the taxpayer; and

(c) Such lot or parcel, except in the case of real property acquired by inheritance or devise, is held by the taxpayer for a period of five years.

Where
more than
five lots,
etc., in same
tract sold

18198. (a) If more than five lots or parcels contained in the same tract of real property are sold or exchanged, gain from any sale or exchange (which occurs in or after the taxable year in which the sixth lot or parcel is sold or exchanged) of any lot or parcel which comes within the provisions of Section 18197 shall be deemed to be gain from the sale of property held primarily for sale to customers in the ordinary course of the trade or business to the extent of 5 percent of the selling price.

(b) For the purpose of computing gain under subsection (a), expenditures incurred in connection with the sale or exchange of any lot or parcel shall neither be allowed as a deduction in computing taxable income, nor treated as reducing the amount realized on such sale or exchange; but so much of such expenditures as does not exceed the portion of gain deemed under subsection (a) to be gain from the sale of property held primarily for sale to customers in the ordinary course of trade or business shall be so allowed as a deduction, and the remainder, if any, shall be treated as reducing the amount realized on such sale or exchange.

(c) No improvement shall be deemed a substantial improvement for purposes of Section 18197 if the lot or parcel is held by the taxpayer for a period of 10 years and if—

(1) Such improvement is the building or installation of water or sewer facilities or roads (if such improvement would except for this paragraph constitute a substantial improvement);

(2) It is shown to the satisfaction of the Franchise Tax Board that the lot or parcel, the value of which was substantially enhanced by such improvement, would not have been marketable at the prevailing local price for similar building sites without such improvement; and

(3) The taxpayer elects, in accordance with regulations prescribed by the Franchise Tax Board, to make no adjustment to basis of the lot or parcel, or of any other property

owned by the taxpayer, on account of the expenditures for such improvements. Such election shall not make any item deductible which would not otherwise be deductible.

18199. For the purposes of Sections 18197 and 18198, the term "tract of real property" means a single piece of real property, except that two or more pieces of real property shall be considered a tract if at any time they were contiguous in the hands of the taxpayer or if they would be contiguous except for the interposition of a road, street, railroad, stream, or similar property. If, following the sale or exchange of any lot or parcel from a tract of real property, no further sales or exchanges of any other lots or parcels from the remainder of such tract are made for a period of five years, such remainder shall be deemed a tract.

18200. Gain from the sale or exchange of property, to the extent that the adjusted basis of such property is less than its adjusted basis determined without regard to Section 17208 (relating to amortization deduction of emergency facilities), shall be considered as gain from the sale or exchange of property which is neither a capital asset nor property described in Sections 18181 and 18182.

18201. (a) In the case of a sale or exchange, directly or indirectly, of property described in subsection (b)—

(1) Between a husband and wife; or

(2) Between an individual and a corporation more than 80 percent in value of the outstanding stock of which is owned by such individual, his spouse, and his minor children and minor grandchildren;

any gain recognized to the transferor from the sale or exchange of such property shall be considered as gain from the sale or exchange of property which is neither a capital asset nor property described in Sections 18181 and 18182.

(b) This section shall apply only in the case of a sale or exchange by a transferor of property which in the hands of the transferee is property of a character which is subject to the allowance for depreciation provided in Sections 17208 and 17209.

18202. Amounts received from the assignment of release by an employee, after more than 20 years' employment, of all his rights to receive, after termination of his employment and for a period of not less than five years (or for a period ending with his death), a percentage of future profits or receipts of his employer shall be considered an amount received from the sale or exchange of a capital asset held for more than two years but not more than five years, if—

(a) Such rights were included in the terms of the employment of such employee for not less than 12 years;

(b) Such rights were included in the terms of the employment of such employee before the date of enactment of this part; and

(c) The total of the amounts received for such assignment or release is received in one taxable year and after the termination of such employment.

Cancellation
of lease or
distributor's
agreement

18203. Amounts received by a lessee for the cancellation of a lease, or by a distributor of goods for the cancellation of a distributor's agreement (if the distributor has a substantial capital investment in the distributorship), shall be considered as amounts received in exchange for such lease or agreement.

CHAPTER 15. READJUSTMENT OF TAX BETWEEN YEARS AND SPECIAL LIMITATIONS

Article 1. Income Attributable to Several Taxable Years

Income
attributable
to several
taxable
years

18241. (a) If an individual or partnership—

(1) Engages in an employment as defined in subsection (b); and

(2) The employment covers a period of 36 months or more (from the beginning to the completion of such employment); and

Compensation
from employment

(3) The gross compensation from the employment received or accrued in the taxable year of the individual or partnership is not less than 80 percent of the total compensation from such employment;

then the tax attributable to any part of the compensation which is included in the gross income of any individual shall not be greater than the aggregate of the taxes attributable to such part had it been included in the gross income of such individual ratably over that part of the period which precedes the date of such receipt or accrual.

"An employment"

(b) For purposes of this section, the term "an employment" means an arrangement or series of arrangements for the performance of personal services by an individual or partnership to effect a particular result, regardless of the number of sources from which compensation therefor is obtained.

(c) An individual who is a member of a partnership receiving or accruing compensation from an employment of the type described in subsection (a) shall be entitled to the benefits of that subsection only if the individual has been a member of the partnership continuously for a period of 36 months or the period of the employment immediately preceding the receipt or accrual. In such a case the tax attributable to the part of the compensation which is includible in the gross income of the individual shall not be greater than the aggregate of the taxes which would have been attributable to that part had it been included in the gross income of the individual ratably over the period in which it was earned or the period during which the individual continuously was a member of the partnership, whichever period is the shorter. For purposes of this subsection, a member of a partnership shall be deemed to have been a member of the partnership for any period,

ending immediately prior to becoming such a member, in which he was an employee of such partnership, if during the taxable year he received or accrued compensation attributable to employment by the partnership during such period.

18242. (a) If—

(1) An individual includes in gross income amounts in respect of a particular invention or artistic work created by the individual; and Inventions and artistic works

(2) The work on the invention or the artistic work covered a period of 24 months or more (from the beginning to the completion thereof); and

(3) The amounts in respect of the invention or the artistic work includible in gross income for the taxable year are not less than 80 percent of the gross income in respect of such invention or artistic work in the taxable year plus the gross income therefrom in previous taxable years and the 12 months immediately succeeding the close of the taxable year;

then the tax attributable to the part of such gross income of the taxable year which is not taxable as a gain from the sale or exchange of a capital asset shall not be greater than the aggregate of the taxes attributable to such part had it been received ratably over, in the case of an invention, that part of the period preceding the close of the taxable year or 60 months, whichever is shorter, or, in the case of an artistic work, that part of the period preceding the close of the taxable year but not more than 36 months.

(b) For purposes of this section—

(1) The term “invention” means a patent covering an invention of the individual. “Invention”

(2) The term “artistic work” means a literary, musical, or artistic composition or a copyright covering a literary, musical, or artistic composition. “Artistic work”

18243. If the amount of the back pay received or accrued by an individual during the taxable year exceeds 15 percent of the gross income of the individual for such year, the part of the tax attributable to the inclusion of such back pay in gross income for the taxable year shall not be greater than the aggregate of the increases in the taxes which would have resulted from the inclusion of the respective portions of such back pay in gross income for the taxable years to which such portions are respectively attributable, as determined under regulations prescribed by the Franchise Tax Board. Back pay exceeding 15 percent of gross income

18244. For purposes of Section 18243, the term “back pay” means amounts includible in gross income under this part which are one of the following— “Back pay”

(a) Remuneration, including wages, salaries, retirement pay, and other similar compensation, which is received or accrued during the taxable year by an employee for services performed before the taxable year for his employer and which

would have been paid before the taxable year except for the intervention of one of the following events:

(1) Bankruptcy or receivership of the employer;
(2) Dispute as to the liability of the employer to pay such remuneration, which is determined after the commencement of court proceedings;

(3) If the employer is the United States, a state, a territory, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any of the foregoing, lack of funds appropriated to pay such remuneration; or

(4) Any other event determined to be similar in nature under regulations prescribed by the Franchise Tax Board.

(b) Wages or salaries which are received or accrued during the taxable year by an employee for services performed before the taxable year for his employer and which constitute retroactive wage or salary increases ordered, recommended, or approved by any federal or state agency, and made retroactive to any period before the taxable year.

(c) Payments which are received or accrued during the taxable year as the result of an alleged violation by an employer of any state or federal law relating to labor standards or practices, and which are determined under regulations prescribed by the Franchise Tax Board to be attributable to a prior year.

Computation

18245. (a) For purposes of this article, a fractional part of a month shall be disregarded unless it amounts to more than half a month, in which case it should be considered as a month.

(b) For the purpose of computing the tax attributable to the amount of an item of gross income allocable under this article to a particular taxable year, such amount shall be considered income only of the person who would be required to include the item of gross income in a separate return filed for the taxable year in which such item was received or accrued.

(c) Subsection (c) of Section 18241 and subsection (b) of this section shall apply only to amounts received or accrued after December 31, 1954. Notwithstanding any other provision of this part, Sections 17054 to 17059, inclusive, of the Personal Income Tax Law of 1954 shall apply to amounts received or accrued as a partner on or before December 31, 1954, under this section and to the computation of tax on amounts received or accrued on or before December 31, 1954.

Article 2. War Loss Recoveries

War loss
recoveries

18301. On the recovery in the taxable year of any money or property in respect of property considered under Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954, as destroyed or seized, the amount of such recovery shall be included in gross income to the extent provided in Sections 18302 and 18303, unless Sections 18304 to 18307, inclusive, apply to the taxable year pursuant to an election made by the taxpayer under Section 18309.

18302. The amount of the recovery of any money or property in respect of property considered under Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954, as destroyed or seized, shall be an amount equal to the aggregate of such money and the fair market value of such property, determined as of the date of the recovery.

Amount of
recovery

18303. (a) To the extent that the amount of the recovery plus the aggregate of the amounts of previous such recoveries do not exceed that part of the aggregate of the allowable deductions in prior taxable years on account of the destruction or seizure of property described in such Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954, which did not result in a reduction of any tax of the taxpayer under any prior income tax law, such amount shall not be includible in gross income and shall not be deemed gain on the involuntary conversion of property as a result of its destruction or seizure.

Amount
of gain
includible
Portion
excluded
from gross
income

(b) To the extent that such amount plus the aggregate of the amounts of previous such recoveries exceed that part of the aggregate of such deductions, which did not result in a reduction of any tax of the taxpayer under such income tax law and do not exceed that part of the aggregate of such deductions which did result in a reduction of any tax of the taxpayer under such laws, such amount shall be included in gross income but shall not be deemed a gain on the involuntary conversion of property as a result of its destruction or seizure.

Portion
treated as
ordinary
income

(c) To the extent that such amount plus the aggregate of the amounts of previous such recoveries exceed the aggregate of the allowable deductions in prior taxable years on account of the destruction or seizure of property described in such Sections 17330 to 17333, inclusive, such amount shall be considered a gain on the involuntary conversion of property as a result of its destruction or seizure and shall be recognized or not recognized as provided in Sections 18082 to 18088, inclusive, (relating to involuntary conversions).

Portion
treated as
gain on
involuntary
conversion

(d) If for any previous taxable year the taxpayer chose under Sections 17334 to 17336, inclusive, of the Personal Income Tax Law of 1954 to treat any obligations and liabilities as discharged or satisfied out of the property or interest described in such Sections 17330 to 17333, inclusive, and if such obligations and liabilities were not so discharged or satisfied, the amount of such obligations and liabilities treated as discharged or satisfied under such Sections 17334 to 17336, inclusive, shall be considered for purposes of this part as a deduction by reason of such Sections 17330 to 17333, inclusive, which did not result in a reduction of any tax of the taxpayer under the Personal Income Tax Law of 1954.

Obligations
not dis-
charged

(e) For purposes of this section, an allowable deduction for any taxable year on account of the destruction or seizure of property described in such Sections 17330 to 17333, inclusive, shall, to the extent not allowed in computing the tax of the taxpayer for such taxable year, be considered an allowable

Allowable
deduction
not allowed

deduction which did not result in a reduction of any tax of the taxpayer under the Personal Income Tax Law of 1954.

Tax
adjustment
measured
by prior
benefits.
Amount of
recovery

18304. If this article applies to the taxable year pursuant to an election made by the taxpayer under Section 18309 the amount of the recovery in the taxable year of any money or property in respect of property considered under Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954, as destroyed or seized, shall be an amount equal to the aggregate of such money and the fair market value of such property, determined as of the date of the recovery. For purposes of Sections 18304 to 18306, inclusive, in the case of the recovery of the same property or interest considered under such Sections 17330 to 17333, inclusive, as destroyed or seized, the fair market value of such property or interest shall, at the option of the taxpayer, be considered an amount equal to the adjusted basis (for determining loss) of such property or interest in the hands of the taxpayer on the date such property or interest was considered under such Sections 17330 to 17333, inclusive, as destroyed or seized. The amount of the recovery determined under this paragraph shall be reduced for purposes of Sections 18305 and 18306 by the amount of the obligations or liabilities with respect to the property considered under such Sections 17330 to 17333, inclusive, as destroyed or seized in respect of which the recovery was received, if the taxpayer for any previous taxable year chose under Section 17335 of such law to treat such obligations or liabilities as discharged or satisfied out of such property, and such obligations or liabilities were not so discharged or satisfied before the date of the recovery.

Adjustment
for prior
tax benefits

18305. That part of the amount of the recovery, in respect of any property considered under Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954, as destroyed or seized, which is not in excess of the allowable deductions in prior taxable years on account of such destruction or seizure of the property (the amount of such allowable deductions being first reduced by the aggregate amount of any prior recoveries in respect of the same property) shall be excluded from gross income for the taxable year of the recovery for purposes of computing the tax under this part; but there shall be added to, and assessed and collected as a part of, the tax under this part for the taxable year of the recovery the total increase in the tax under Chapter 2 of the Personal Income Tax Law of 1954 for all taxable years which would result by decreasing, in an amount equal to such part of the recovery so excluded, such deductions allowable in the prior taxable years with respect to the destruction or seizure of the property. Such increase in the tax for each such year so resulting shall be computed in accordance with regulations prescribed by the Franchise Tax Board. Such regulations shall give effect to previous recoveries of any kind (including recoveries described in Section 17144, relating to recovery of bad debts, etc.) with respect to any prior year, and shall provide for the case where there was no tax for the prior year (relating to

corrections of errors). All credits allowable against the tax for any year shall be taken into account in computing the increase in the tax.

18306. The amount of any recovery or part thereof, in respect of property considered under such Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954 as destroyed or seized, which is not excluded from gross income under Section 18305, shall be considered for the taxable year of the recovery as gain on the involuntary conversion of property as a result of its destruction or seizure and shall be recognized or not recognized as provided in Sections 18082 to 18088, inclusive. Gain on recovery

18307. For purposes of Sections 18401 to 18405, inclusive, (relating to persons required to make income tax returns), the recovery in the taxable year of any money or property in respect of property considered under such Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954 as destroyed or seized in any prior taxable year shall be deemed to be an item includible in gross income for the taxable year in which the recovery is made. Recovery of seized, etc., property treated as ordinary income

18308. For purposes of this article, the restoration in whole or in part of the value of any interest described in Sections 17330.5 to 17332, inclusive, of the Personal Income Tax Law of 1954 by reason of any recovery of money or property in respect of property to which such interest related and which was considered under Sections 17330 to 17330.4, inclusive, of the Personal Income Tax Law of 1954 as destroyed or seized shall be deemed a recovery of property in respect of property considered under such Section 17330 as destroyed or seized. In applying Sections 18304 to 18307, inclusive, such restoration shall be treated as the recovery of the same interest considered under such Sections 17330 to 17333, inclusive, as destroyed or seized. Restoration of value of investments referable to seized, etc., property

18309. If the taxpayer elects to have Sections 18304 to 18307, inclusive, apply to any taxable year in which he recovered any money or property in respect of property considered under Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954, as destroyed or seized, Sections 18304 to 18307, inclusive, shall apply to all taxable years of the taxpayer beginning after December 31, 1941, and such election, once made, shall be irrevocable. The election shall be made in such manner and at such time as the Franchise Tax Board may by regulations prescribe, except that no election under this section may be made unless the taxpayer recovers money or property (in respect of property considered under such Sections 17330 to 17333, inclusive, as destroyed or seized) during the taxable year for which the election is made. If pursuant to such election Sections 18304 to 18307, inclusive, apply to any taxable year— Election by taxpayer

(a) The period of limitations provided in Chapter 18 on the making of assessments and the beginning of distraint or a proceeding in court for collection shall not, with respect to—

(1) The amount to be added to the tax for such taxable year under Sections 18304 to 18307, inclusive; and

(2) Any deficiency for such taxable year or for any other taxable year, to the extent attributable to the basis of the recovered property being determined under Section 18311 (b);

expire before the expiration of two years following the date of the making of such election, and such amount and such deficiency may be assessed at any time before the expiration of such period notwithstanding any law or rule of law which would otherwise prevent such assessment and collection, and

(b) In case refund or credit of any overpayment resulting from the application of Sections 18304 to 18307, inclusive, to such taxable year is prevented on the date of the making of such election, or within one year from such date, by the operation of any law or rule of law, refund or credit of such overpayment may, nevertheless, be made or allowed if claim therefor is filed within one year from such date. In the case of any taxable year ending before the date of the making by the taxpayer of an election under this section, no interest shall be paid on any overpayment resulting from the application of Sections 18304 to 18307, inclusive, to such taxable year, and no interest shall be assessed or collected with respect to any amount or any deficiency specified in subsection (a) for any period before the expiration of six months following the date of the making of such election by the taxpayer.

Basis of
recovered
property

18310. (a) The unadjusted basis of property recovered in respect of property considered as destroyed or seized under Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954 shall be determined under this section. Such basis shall be an amount equal to the fair market value of such property, determined as of the date of the recovery, reduced by an amount equal to the excess of the aggregate of such fair market value and the amounts of previous recoveries of money or property in respect of property considered under such Sections 17330 to 17333, inclusive, as destroyed or seized over the aggregate of the allowable deductions in prior taxable years on account of the destruction or seizure of property described in such Sections 17330 to 17333, inclusive, and increased by that portion of the amount of the recovery which under Sections 18302 and 18303 is treated as a recognized gain from the involuntary conversion of property. On application of the taxpayer, the aggregate of the bases (determined under the preceding sentence) of any properties recovered in respect of properties considered under such Sections 17330 to 17333, inclusive, as destroyed or seized may be allocated among the properties so recovered in such manner as the Franchise Tax Board may determine under regulations prescribed by the Franchise Tax Board, and the amounts so allocated to any such property so recovered shall be the unadjusted basis of such property in lieu of the unadjusted basis of such property determined under the preceding sentence.

(b) In the case of a taxpayer who has made an election under Section 18309, the basis of property recovered shall be

an amount equal to the value at which such property is included in the amount of the recovery under Section 18304 (determined without regard to the last sentence thereof), reduced by such part of the gain under Section 18306 which is not recognized as provided in Sections 18304 to 18307, inclusive.

18311. (a) The determination as to whether and to what extent an allowable deduction on account of the destruction or seizure of property described in Sections 17330 to 17333, inclusive, of the Personal Income Tax Law of 1954, did or did not result in a reduction of any tax of the taxpayer under Chapter 2 of such law shall be made in accordance with regulations prescribed by the Franchise Tax Board.

Applicable
regulations

(b) The part of the stock or other interest of the taxpayer treated under Sections 17348 to 17350, inclusive, of the Personal Income Tax Law of 1954, as property described in Sections 17330.5 to 17332, inclusive, of the Personal Income Tax Law of 1954 shall be treated in the same manner for purposes of this article.

CHAPTER 16. MITIGATION OF EFFECT OF RENEGOTIATION OF GOVERNMENT CONTRACTS

18351. In the case of a contract with the United States or any agency thereof, or any subcontract thereunder, which is made by the taxpayer:

Mitigation
of effect of
renegoti-
ation.
Reduction
for prior
taxable year

(a) If a renegotiation is made in respect of that contract or subcontract and an amount of excessive profits received or accrued under the contract or subcontract for a taxable year (hereinafter referred to as "prior taxable year") is eliminated; and

(b) In a taxable year ending after December 31, 1941, the taxpayer is required to pay or repay to the United States or any agency thereof the amount of profits eliminated; or

(c) The amount of profits eliminated is applied as an offset against other amounts due the taxpayer; then the profits so eliminated shall be excluded from gross income for the prior taxable year if they were included in gross income for the prior taxable year.

18352. As used in Section 18351, "renegotiation" includes:

(a) Any transaction which is a renegotiation within the meaning of the Federal Renegotiation Act applicable to such transaction;

"Renego-
tiation"

(b) Any modification of one or more contracts with the United States or any agency thereof; and

(c) Any agreement with the United States or any agency thereof in respect of one or more such contracts or subcontracts thereunder.

18353. As used in Section 18351, "excessive profits" in-
cludes:

"Excessive
profits"

(a) Any amount which constitutes excessive profits within the meaning assigned to such term by the applicable Federal Renegotiation Act;

(b) Any part of the contract price of a contract with the United States or any agency thereof;

(c) Any part of the subcontract price of a subcontract under a contract; and

(d) Any profits derived from one or more contracts or subcontracts.

"Subcontract"

18354. As used in Section 18351, "subcontract" includes any purchase order or agreement which is a subcontract within the meaning assigned to that term by the applicable Federal Renegotiation Act.

"Federal Renegotiation Act"

18355. The term "Federal Renegotiation Act" includes Section 403 of the Sixth Supplemental National Defense Appropriation Act (Public Law 528, Seventy-seventh Congress, Second Session), as amended or supplemented, and the Renegotiation Act of 1948, as amended or supplemented, and the Renegotiation Act of 1951, as amended or supplemented.

Reduction of reimbursement for prior taxable year

18356. In the case of a cost-plus-a-fixed-fee contract between the United States or any agency thereof and the taxpayer, if an item for which the taxpayer has been reimbursed by the United States or any agency thereof is disallowed as an item of cost chargeable to that contract, and, in a taxable year ending after December 31, 1941, the taxpayer is required to repay the United States or any agency thereof the amount disallowed, or the amount disallowed is applied as an offset against other amounts due the taxpayer, for the purposes of this part the amount so disallowed or so applied as an offset shall be allowed as a deduction in the taxable year in which the reimbursement for the item was received or was accrued to the extent that the taxpayer's taxable net income for the year in which the cost was incurred would have been reduced had no reimbursement been received or accrued.

Deduction disallowed

18357. The amount of the payment, repayment, or offset described in Sections 18351 and 18356 shall not constitute a deduction for the year in which paid or incurred.

Exception

18358. Sections 18351 to 18357, inclusive, shall not apply in respect of any contract if the taxpayer shows to the satisfaction of the Franchise Tax Board that a different method of accounting for the amount of the payment, repayment, or disallowance clearly reflects income, and in such case the payment, repayment, or disallowance shall be accounted for with respect to the taxable year provided for under that method.

Overpayment in tax

18359. Any overpayment in tax which results from the application of Sections 18351 to 18358, inclusive, shall be credited or refunded as provided in this part. Notwithstanding the provisions of any statute of limitations, credit or refund shall be made if claim therefor is filed within four years from the last day prescribed for filing the return or within two years from the date of payment, repayment, or offset described in Sections 18351 to 18358, inclusive, whichever is later.

Claim in abatement of unpaid tax

18360. If prior to the payment of the last installment of tax for the taxable year the taxpayer becomes entitled to the exclusions or deductions provided in Sections 18351 to 18358,

inclusive, for its taxable year, the taxpayer may, under regulation prescribed by the Franchise Tax Board, file a claim in abatement of any unpaid tax or portion thereof, but not in excess of the reduction in tax resulting from the application of these sections.

18361. In any case in which a claim in abatement is filed ^{Same} pursuant to Section 18360, and the Franchise Tax Board makes an abatement, the tax disclosed by the original return shall, for the purpose of Article 2 of Chapter 18 of this part, be deemed to be reduced by the amount of the tax abated.

SEC. 3. Chapter 10 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 17. RETURNS

SEC. 4. Chapter 11 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 18. PAYMENTS AND ASSESSMENTS

SEC. 5. Chapter 12 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 19. COLLECTION OF TAX

SEC. 6. Chapter 13 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 20. OVERPAYMENTS AND REFUNDS

SEC. 7. Chapter 14 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 21. ADMINISTRATION OF TAX

SEC. 8. Chapter 15 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 22. DISPOSITION OF PROCEEDS

SEC. 9. Chapter 16 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 23. VIOLATIONS

SEC. 10. Chapter 17 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 24. RES JUDICATA

SEC. 11. Chapter 18 of Part 10, Division 2 of the Revenue and Taxation Code is renumbered to read:

CHAPTER 25. TEMPORARY LIMITATION PROVISIONS

SEC. 12. Section 18402 of the Revenue and Taxation Code is amended to read:

Returns by
husband
and wife

18402. If a husband and wife have for the taxable year an aggregate net income of three thousand five hundred dollars (\$3,500) or over, or an aggregate gross income of five thousand dollars (\$5,000) or over—

(a) Each shall make such a return, or

(b) The income of each shall be included in a single joint return, in which case the tax shall be computed on the aggregate income, as provided in Section 17045. No joint return shall be made if husband and wife have different taxable years; except that if such taxable years begin on the same day and end on different days because of the death of either or of both, then the joint return may be made with respect to the taxable year of each. The above exception shall not apply if the surviving spouse remarries before the close of his taxable year, nor if the taxable year of either spouse is a fractional part of a year under Section 17553.

(c) In the case of the death of one spouse or both spouses the joint return with respect to the decedent may be made only by his executor or administrator; except that in the case of the death of one spouse the joint return may be made by the surviving spouse with respect to both himself and the decedent if (1) no return for the taxable year has been made by the decedent, (2) no executor or administrator has been appointed, and (3) no executor or administrator is appointed before the last day prescribed by law for filing the return of the surviving spouse. If an executor or administrator of the decedent is appointed after the making of the joint return by the surviving spouse, the executor or administrator may disaffirm such joint return by making, within one year after the last day prescribed by law for filing the return of the surviving spouse, a separate return for the taxable year of the decedent with respect to which the joint return was made, in which case the return made by the survivor shall constitute his separate return.

SEC. 13. Section 18408 of the Revenue and Taxation Code is amended to read:

Returns by
partnerships

18408. Returns by partnerships are provided for in Section 17932.

SEC. 14. Section 18410.7 of the Revenue and Taxation Code is amended to read:

Joint return

18410.7. For the purposes of Article 1 of Chapter 20 (relating to refunds and credits), a joint return made under Section 18410 shall be deemed to have been filed on the last date prescribed by this part for filing the return for such taxable year (determined without regard to any extension of time granted to either spouse).

SEC. 15. Section 18410.9 of the Revenue and Taxation Code is amended to read:

“Return”

18410.9. For the purposes of Chapter 23 (relating to criminal penalties in the case of fraudulent returns) the term

"return" includes a separate return filed by a spouse with respect to a taxable year for which a joint return is made under this article after the filing of such separate return.

SEC. 16. Section 18411 is added to the Revenue and Taxation Code, to read:

18411. For the purpose of this part, the term "net income" ^{"Net income"} means gross income computed under this part, less the deductions allowed by this part, other than the deductions allowed by Article 5 of Chapter 3.

SEC. 17. Section 18433 of the Revenue and Taxation Code is amended to read:

18433. The Franchise Tax Board, whenever in its judgment good cause exists, and under such rules and regulations as it shall prescribe, may grant a reasonable extension of time for filing the return or for payment of the tax, or any installment thereof, disclosed by the return, due or to become due within the period of the extension. The Franchise Tax Board shall keep a record of every extension. Except in the case of taxpayers who are abroad, no extension or extensions may aggregate more than six months from the due date provided for the filing of returns. ^{Extension of time for filing return etc}

SEC. 18. Section 18434 of the Revenue and Taxation Code is amended to read:

18434. (a) In the case of a taxpayer who is serving as a member of the Armed Forces of the United States or any auxiliary branch thereof, or the Merchant Marine, beyond the boundaries of the continental United States, the Franchise Tax Board shall automatically grant, without application being made therefor, an extension of time, free from interest and penalties, for filing the return, for payment of the tax, for taking any of the steps required by Sections 18590, 18593, 19053, 19057 and 19058 of the Revenue and Taxation Code, until 180 days after his return to the United States. ^{Member of Armed forces}

(b) "Continental United States," as used in subsection (a) means the 48 states of the United States and the District of Columbia. ^{"Continental United States"}

SEC. 19. Section 18451 of the Revenue and Taxation Code is amended to read:

18451. If the amount of taxable income for any year of any taxpayer as returned to the United States Treasury Department is changed or corrected by the Commissioner of Internal Revenue or other officer of the United States or other competent authority, or where a renegotiation of a contract or subcontract with the United States results in a change in taxable income, such taxpayer shall report such change or corrected taxable income, or the results of such renegotiation, within 90 days after the final determination of such change or correction or renegotiation, or as required by the Franchise Tax Board, and shall concede the accuracy of such determination or state wherein it is erroneous. Any taxpayer filing an amended return with such department shall also file within 90 days thereafter an amended return with the Fran- ^{Federal adjustments report to Franchise Tax Board}

chise Tax Board which shall contain such information as it shall require.

SEC. 20. Section 18452 is added to the Revenue and Taxation Code, to read:

Trust
claiming
charitable,
etc.,
deduction.
Required
information

18452. Every trust claiming a charitable, religious, scientific, literary, or educational deduction under Section 17734 for the taxable year shall furnish information with respect to such taxable year, at such time and in such manner as the Franchise Tax Board may by regulations prescribe, setting forth—

(a) The amount of the charitable, religious, scientific, literary, or educational deduction taken under Section 17734 within such year (showing separately the amount of such deduction which was paid out and the amount which was permanently set aside for charitable, religious, scientific, literary, or educational purposes during such year);

(b) The amount paid out within such year which represents amounts for which charitable, religious, scientific, literary, or educational deductions under Section 17734 have been taken in prior years;

(c) The amount for which charitable, religious, scientific, literary, or educational deductions have been taken in prior years but which has not been paid out at the beginning of such year;

(d) The amount paid out of principal in the current and prior years for charitable, religious, scientific, literary, or educational purposes;

(e) The total income of the trust within such year and the expenses attributable thereto; and

(f) A balance sheet showing the assets, liabilities, and net worth of the trust as of the beginning of such year.

This section shall not apply in the case of a taxable year if all the taxable income for such year, determined under the applicable principles of the law of trusts, is required to be distributed currently to the beneficiaries.

SEC. 21. Section 18470 of the Revenue and Taxation Code is amended to read:

Member of
armed forces
Liability for
penalties,
etc

18470. If an individual serving in the Armed Forces of the United States, or serving in support of such armed forces, is continuously outside the Americas for longer than 90 days, that period of time and the next 90 days thereafter shall be disregarded in determining under this part the amount of any credit or refund (including interest) or in respect of any liability for taxes, interests or penalties of that individual whether any of the following acts were performed within the time prescribed:

(a) Filing any return of income tax (except income tax withheld at source);

(b) Payment of any income tax (except income tax withheld at source);

(c) Filing an appeal with the State Board of Equalization;

(d) Allowance of a credit or refund of any tax;

- (e) Filing a claim for credit or refund of any tax;
- (f) Bringing a suit upon any such claim for credit or refund;
- (g) Assessment of any tax;
- (h) Giving or making any notice or demand, for the payment of any tax, or with respect to any liability in respect of any tax;
- (i) Collection, by the Franchise Tax Board or the collector, by distraint or otherwise, of the amount of any liability in respect of any tax;
- (j) Bringing suit by the State of California, or any officer on its behalf, in respect of any liability in respect of any tax; and
- (k) Any other act required or permitted under this part.

SEC. 22. Sections 18471 and 18472 of the Revenue and Tax- Repeal
ation Code are hereby repealed.

SEC. 23. Section 18473 of the Revenue and Taxation Code is amended to read:

18473. Notwithstanding the provisions of Section 18470, any action or proceeding authorized by Article 4, of Chapter 18 (regardless of the taxable year for which the tax arose), Article 4 of Chapter 19, Sections 18621 and 18622, as well as any other action or proceeding authorized by law in connection therewith, may be taken, begun, or prosecuted. Jeopardy assessments, fiduciary liability, etc

SEC. 24. Section 18476 of the Revenue and Taxation Code is amended to read:

18476. The assessment or collection of any tax or of any liability under this part, or any action in connection therewith, may be made, taken, begun, or prosecuted in accordance with law, without regard to the provisions of Section 18470, unless prior to such assessment, collection, action, or proceeding it is ascertained that the person concerned is entitled to the benefits of that section. Limitations on granting extensions

SEC. 25. Section 18477 of the Revenue and Taxation Code is amended to read:

18477. This article shall not operate to extend the time for performing any act specified in Section 18470(g), (h), (i) or (j) if such time under the law in force prior to April 8, 1953, expired prior to that date. Same

SEC. 26. Section 18479 of the Revenue and Taxation Code is hereby repealed. Repeal

SEC. 27. Section 18581 of the Revenue and Taxation Code is amended to read:

18581. The Franchise Tax Board may proceed under this article or Article 4 whether or not it requires a return as an amended return under Article 3 of Chapter 17. Deficiency assessments - When Franchise Tax Board may issue

SEC. 28. Section 18586.1 of the Revenue and Taxation Code is amended to read:

18586.1. If the taxpayer omits from gross income an amount properly includible therein which is in excess of 25 percent of the amount of gross income stated in the return, Notice of proposed deficiency assessment

a notice of a proposed deficiency assessment may be mailed to the taxpayer within six years after the return was filed.

SEC. 29. Section 18586.4 of the Revenue and Taxation Code is amended to read:

Statute of
limitations.
Sale of
residence

18586.4. In the case of a deficiency described in Section 18100, such deficiency may be assessed at any time prior to the expiration of the time therein provided.

SEC. 30. Section 18586.5 of the Revenue and Taxation Code is amended to read:

Same
Involuntary
conversion

18586.5. In case of a deficiency described in Sections 18085 and 18086, such deficiency may be assessed at any time prior to the expiration of the time therein provided.

SEC. 31. Section 18588 of the Revenue and Taxation Code is amended to read:

When returns
deemed filed

18588. For the purposes of Sections 18586, 18586.1 and 18587 a return filed before the last day prescribed by law for filing shall be considered as filed on that day.

SEC. 32. Section 18810 of the Revenue and Taxation Code is amended to read:

Refunds of
withholding
tax

18810. Any taxpayer from whom a tax is collected by withholding under this article is entitled to the remedies set forth in Articles 1 and 2 of Chapter 20 of this part. But a refund of the tax under Article 1 of Chapter 20 shall be made to the withholding agent instead of directly to the taxpayer, if requested in writing by the withholding agent at the time the amounts refundable were transmitted to the Franchise Tax Board.

SEC. 33. Section 18886 is added to the Revenue and Taxation Code, to read:

Lien of tax
Trusts

18886. Upon recordation of an abstract of judgment or a copy thereof by the Franchise Tax Board with the county recorder of any county for any taxes due from the grantor of a trust on income of the trust which is taxable to the grantor under this part, and upon its giving notice of the recording to the fiduciary of the trust, or in case there is more than one fiduciary to any one of the fiduciaries, the amount of the taxes constitutes a lien upon all property of the trust in the county owned by the trust or afterwards and before the lien expires acquired by the trust. The lien has the force, effect, and priority of a judgment lien.

SEC. 34. Section 18887 is added to the Revenue and Taxation Code, to read:

Notice,
service, etc.

18887. The notice required to be given by Section 18886 may be served upon the fiduciary personally, or by mail; if by mail, service shall be made pursuant to Section 1013 of the Code of Civil Procedure and shall be addressed to the fiduciary at his address as it appears in the records of the Franchise Tax Board.

SEC. 35. Section 19053.7 of the Revenue and Taxation Code is amended to read:

Period of
limitations
Refund claim
for over-
payments

19053.7. Insofar as the claim for credit or refund relates to an overpayment on account of the deductibility, under Sec-

tion 17207, of a debt as one which became worthless, or a loss from worthlessness of a security under Section 17206, or Section 17207, or an erroneous inclusion of an amount attributable to the recovery of a bad debt, prior tax or delinquency amount, under Sections 17144 and 17145 due to an adjustment of a bad debt deduction under Section 17207, or a loss deduction from worthlessness of a security under Section 17206, or, in lieu of the period of limitations prescribed in Section 19053, the period shall be seven years from the date prescribed by law for filing the return for the year with respect to which the claim is made.

SEC. 36. Section 19061.1 of the Revenue and Taxation Code is amended to read:

19061.1. If, with or after the filing of a protest or an appeal to the State Board of Equalization pursuant to Article 2 of Chapter 18, a taxpayer pays the tax protested, before the Franchise Tax Board acts upon the protest, or the board upon the appeal, the Franchise Tax Board or board shall treat the protest or the appeal as a claim for refund or an appeal from the denial of a claim for refund filed under this section.

Effect of
tax payment
after protest
or appeal

SEC. 37. Article 1.5 of Chapter 13, comprising Sections 19071, 19072, and 19073 of the Revenue and Taxation Code is hereby repealed.

Repeal

SEC. 38. Section 19261 is added to the Revenue and Taxation Code, to read:

19261. Any person acting in a fiduciary capacity shall assume the duties and, upon giving notice to the Franchise Tax Board, shall assume the rights and privileges of the taxpayers in respect of any tax imposed by this part (except as otherwise specifically provided), until he gives notice that his fiduciary has terminated. He shall give notice under this section pursuant to rules and regulations prescribed by the Franchise Tax Board.

Fiduciary's
rights and
duties

SEC. 39. Section 19262 is added to the Revenue and Taxation Code, to read:

19262. If the value of the assets of an estate at the death of the decedent exceeds fifty thousand dollars (\$50,000), and if any beneficiary is a nonresident, the final account of the fiduciary shall not be allowed by the probate court unless the fiduciary obtains from the Franchise Tax Board and files with the court a certificate to the effect that all taxes imposed by this part upon the estate or decedent which have become payable have been paid, and that all taxes which may become due are secured by bond, deposit or otherwise.

Final
account of
fiduciary

SEC. 40. Section 19263 is added to the Revenue and Taxation Code, to read:

19263. Within 30 days after receiving a request for a certificate, the Franchise Tax Board shall either issue the certificate or notify the person requesting the certificate of the amount of tax that shall be paid or the amount of bond, deposit, or other security that shall be furnished as a condition of issuance of the certificate.

Franchise
Tax Board
certificate
Request,
issuance, etc

SEC. 41. Section 19264 is added to the Revenue and Taxation Code, to read:

Effect

19264. The certificate of the Franchise Tax Board does not relieve the estate for which the fiduciary acts of liability for any taxes which are due and unpaid at the time the certificate is issued or which may become due from the decedent or estate under this part after the issuance of the certificate. It also does not relieve the fiduciary of the liability imposed by Section 19265.

SEC. 42. Section 19265 is added to the Revenue and Taxation Code, to read:

Fiduciary.
When
personally
liable

19265. Every fiduciary who pays in whole or in part any claim, other than claims for taxes, expenses of administration, funeral expenses, expenses of last illness, and family allowance, against the person, estate, or trust for whom or for which he acts, or who makes any distribution of the assets of the person, estate, or trust, before he satisfies and pays taxes, interest, and penalties, except penalties due from a decedent, which are imposed by this part on the person, estate, or trust for whom or for which he acts, or which constitute a claim against such person, estate, or trust, or which are a lien or charge on or against the assets of such person, estate, or trust, is personally liable to the State for the taxes, interest, and penalties to the extent of such payments and distributions.

SEC. 43. Section 19266 is added to the Revenue and Taxation Code, to read:

Court proceedings—
Income
received,
etc., during
decedent's
lifetime, etc

19266. (a) In the case of income received or accrued during the lifetime of a decedent, or by his estate during the period of administration, or by a trust, the Franchise Tax Board shall mail notices proposing to assess the tax, and shall commence any proceeding in court without assessment for the collection of the tax, within 18 months after written request therefor (filed after the return is made) by the fiduciary of the estate or trust or by any other person liable for the tax or any portion thereof.

Written
request

(b) After filing a request pursuant to subsection (a), a fiduciary may consent in writing to waive the limitation prescribed by said subsection.

SEC. 44. Section 19281 of the Revenue and Taxation Code is amended to read:

Preservation
of reports
and returns

19281. The Franchise Tax Board shall preserve reports and returns for four years and thereafter until it orders them to be destroyed. Returns filed pursuant to Sections 18802, 18802.1, and 18803 shall be preserved until the Franchise Tax Board orders them to be destroyed.

Tax levy

SEC. 45. This act, inasmuch as it provides for a tax levy for the usual current expenses of the State, shall, under provisions of Section 1 of Article IV of the Constitution, take effect immediately.

SEC. 46. The amendments made by this act are applicable only in the computation of taxes for taxable years beginning on or after January 1, 1955.

CHAPTER 940

An act to amend Section 3022 of the Civil Code, relating to giving of notice of assignment of accounts receivable.

[Approved by Governor June 6, 1955 Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3022 of the Civil Code is amended to read:

3022. Any such notice shall be ineffective, except as to accounts theretofore assigned while such notice was in effect, after three years from the date of filing. At any time before expiration of the effectiveness of the original or any subsequent filing, a like statement, signed by the assignor and the assignee, or an affidavit by the assignee alone, setting out the information required by Section 3019, may be filed in like manner as the original filing. Any filing of such further notice or affidavit shall be effective in like manner and for a like period as an original filing. It shall be the duty of the filing officer to mark, file and index the further statement or affidavit in like manner as the original. At any time after seven years from the date when such notice has been on file in the recorder's office, the recorder may destroy the same, together with any certificate or statement of cancellation filed in connection with such notice, unless he has been notified in writing to retain the same by someone claiming some interest under such notice.

CHAPTER 941

An act to amend Section 460 of the Penal Code, relating to the crime of burglary.

[Approved by Governor June 6, 1955 Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 460 of the Penal Code is amended to read:

460. 1. Every burglary of an inhabited dwelling house, trailer coach as defined by the Vehicle Code, or building committed in the nighttime, and every burglary, whether in the daytime or nighttime, committed by a person armed with a deadly weapon, or who while in the commission of such burglary arms himself with a deadly weapon, or who while in the commission of such burglary assaults any person, is burglary of the first degree.

2. All other kinds of burglary are of the second degree.

3. This section shall not be construed to supersede or affect Section 464 of the Penal Code.

CHAPTER 942

An act to amend Sections 9802 and 9802.1 of the Education Code, relating to the education of mentally retarded minors.

In effect
September
7, 1955

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 9802 of the Education Code is amended to read:

9802. The governing board of any elementary, unified, or high school district which has an average daily attendance of 900 or more shall provide for the education in special training schools or classes of mentally retarded minors residing in the district who come within the provisions of Section 9801.1 and who are not in attendance upon other special training schools or classes maintained under the provisions of this chapter. The mandatory provisions of the section as they apply to high school districts shall become effective July 1, 1956, but the governing board of any high school district may provide for such education for all or any portion of the mentally retarded minors residing in the high school district prior to said date.

The governing board of any elementary or unified school district may provide for the education of mentally retarded minors residing in the district who come within the provisions of Section 9801.2.

SEC. 2. Section 9802.1 of the Education Code is amended to read:

9802.1. The governing board of any high school district which has an average daily attendance of less than 900 may establish and maintain special training schools or classes for the education of such mentally retarded minors as may be admitted to such schools or classes by the governing board of the district.

CHAPTER 943

An act to amend Sections 5402 and 5422 of the Public Resources Code, relating to recreation, park and parkway districts.

In effect
September
7, 1955

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5402 of the Public Resources Code is amended to read:

5402. Any city or portion thereof, or any portion of the unincorporated area of any county, whether or not said por-

Formation

tion consists of contiguous territory, not included in any other park, recreation, and parkway district and lying entirely outside of any national forest may be formed into a park, recreation, and parkway district. No territory outside the county may be included within the district.

The district may acquire by gift, lease, purchase, eminent domain, or any other manner, all necessary and proper lands and do all necessary and proper construction and work, including the planting of trees and shrubs, to secure, maintain and operate an adequate system of parks, recreation grounds, facilities for community recreation, and parkways within the district.

The district may acquire such lands and facilities or any portion thereof by means of a plan to borrow money or by purchase on contract. The amount of indebtedness to be incurred shall not exceed an amount equal to the anticipated tax income for a two-year period, and all indebtedness shall be repaid within a period of time not exceeding five years from its incurrence.

SEC. 2. Section 5422 of the Public Resources Code is amended to read:

5422. If at any time after establishment of any district its governing body determines that certain territory whether contiguous to the existing district or not should be annexed to the existing district, or that certain territory should be withdrawn from the district, the governing body shall fix a time and place for hearing the matter of the annexation or withdrawal of territory. No territory outside the county in which the district was formed may be annexed to the district.

Annexation
or with-
drawal of
territory

It shall direct its clerk to publish a notice once a week for two successive weeks in a newspaper circulated in the territory which it is proposed to annex to or withdraw from the district. The newspaper shall be one which the governing body deems most likely to give notice to the inhabitants of the territory.

CHAPTER 944

An act to amend Section 3162 of the Financial Code, relating to the disposition of unclaimed property.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3162 of the Financial Code is amended to read:

3162. All money or other property delivered to the State Treasurer or State Controller pursuant to this article, except Section 3163, shall be deemed to be so delivered for deposit in the State Treasury under the provisions of Article 8 of

Chapter 6 of Title 10 of Part 3 of the Code of Civil Procedure, and shall be subject to claim or other disposition as provided in said Title 10.

SEC. 2. All money or other property delivered to the State Treasurer or State Controller under the provisions of Section 136d of the Bank Act or Section 3163 of the Financial Code prior to the effective date of this section, and all interest or other increment derived from the investment by the State Treasurer as substituted trustee of such money or other property prior to said date, shall, on order of the State Controller, be transferred to, and accounted separately in, the Special Deposit Fund on said effective date.

CHAPTER 945

An act to amend Section 1192.1 of the Code of Civil Procedure, relating to claims of laborers and materialmen on public contracts.

In effect
September
7, 1955

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1192.1 of the Code of Civil Procedure is amended to read:

Statement
of claims

1192.1. (a) Any materialman or person furnishing materials, provisions, provender, or other supplies used in, upon, for, or about the performance of work contracted to be executed or performed to which Chapter 3 of Division 5, Title 1 of the Government Code applies, except the prime contractor, or any person, excluding the prime contractor, renting or hiring teams or implements or machinery for or contributing to the work to be done, or any person, except the prime contractor, who performed work or labor upon the same or any person, except the prime contractor, who supplies both work and materials, and whose claim has not been paid by the contractor or person to whom the contract has been awarded, or by the subcontractors of the contractor or person, may at any time, after he has furnished material or ceased to perform labor, or both, and before the expiration of the periods within which claims of lien must be filed for record as prescribed by this section or by Section 1193.1, file with the public agency, body or officer by whom the contract was awarded, or with the controller, auditor, or other public disbursing officer whose duty it is to make payments under the provisions of such contract, a verified statement of such claims, together with a statement that the same have not been paid.

(b) Except as to contracts awarded under the State Contract Act, Chapter 3, Part 5, Division 3, Title 2 of the Government Code, a cessation of labor on any work of improvement at any time after the commencement thereof, for a continuous

period of 30 days or more, shall be deemed a completion of the contract, structure, or work of improvement. Within 10 days after the completion of any contract, structure, or work of improvement to which Chapter 3 of Division 5, Title 1 of the Government Code applies, the State, or any public board, commission, or officer thereof, or any political subdivision thereof, may file for record in the office of the county recorder of the county or counties where the property is situated a notice setting forth the date when the same was completed or on which cessation from labor occurred, together with the name of the state or such public board, commission, or officer thereof, or such political subdivision thereof, and a description of the property or public work or structure sufficient for identification, and the name of the contractor or contractors, and the names of the sureties, if any. The notice shall be verified by some officer of the State or some member of such board, commission, or officer thereof, or of such political subdivision thereof. If the notice is not so filed, the failure to do so has the same effect as is provided in Section 1193.1 with reference to the "owner." In the case of any contract awarded under the provisions of the State Contract Act, such notice of completion, if filed, shall be filed within 10 days after acceptance of the project, and as to such contracts, verified statements of claims may be filed at any time after the claimant has furnished materials or ceased to perform labor, or both, and before the expiration of 30 days from the filing for record of such notice, or if such notice is not so filed, before the expiration of 90 days after the acceptance of the project.

(c) Actions against the State, public board, commission, or officer thereof, or the political subdivision of the State, or the disbursing officer whose duty it is to make payments under the provisions of the contract for the public improvement in question, brought by any claimant who has filed claim under this section, or his assign, shall be governed by the provisions of Sections 1190.1 and 1197.1 and the verified notice provided for in those sections is equivalent for all purposes to the verified claim provided for herein. Actions
against
State, etc

(d) No assignment by the contractor of the whole or any part of the money due him or to be due him under the contract, or for "extras" in connection therewith, whether made before a verified claim is filed as provided for herein or after the claim is filed, takes priority over claims filed under this section and such assignment has no binding force insofar as the rights of the claimants who file claims hereunder, or their assigns, are concerned. Assignments

(e) This section does not prohibit the payment of any money to the contractor or his assigns, so long as no verified claim is on file before the disbursing officer has actually surrendered possession of the warrant, checks, bonds, or money or the payment to the contractor or his assigns of any money due him or his assigns over and above the total amount of the claims filed at that time plus such interest and court costs Payments

as might be reasonably anticipated in connection with the claims.

Disputed
claims

(f) If the contractor, subcontractor, or other person against whom any claim is filed as provided in this section disputes the correctness or validity of any claim so filed, the controller, auditor, or other public disbursing officer whose duty it is to make payments under the provisions of such contract or the commissioner, managers, trustees, officers, board of supervisors, board of trustees, common council, or other body by whom the contract for the improvement was awarded, in its or his discretion, may permit the contractor to whom the contract was awarded to deliver to such board, commission, or officer a bond executed by some corporation authorized to issue surety bonds in the State of California, in a penal sum equal to one and one-fourth times the amount of the claim, which bond shall guarantee the payment of any sum which the claimant may recover on the claim together with his costs of suit in the action, if he recovers therein. Upon the filing of the bond by and with the consent of such board, commission or officer, then such board, commission or officer shall not withhold any moneys from the contractor on account of the claim. The sureties upon the bond are jointly and severally liable to the claimant with the sureties upon the contractor's bond given in accordance with Chapter 3 of Division 5, Title 1 of the Government Code.

Purpose

SEC. 2. It is the purpose of this act to clarify and declare the prior legislative intent as to the meaning of the section which this act amends, and not to make any substantive changes therein.

CHAPTER 946

An act to amend Section 31590 of the Government Code, relating to warrants drawn on retirement funds.

In effect
September
7, 1955

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 31590 of the Government Code is amended to read:

31590 All warrants drawn on the retirement fund shall be signed or authorized by the treasurer and at least one other member of the board, who shall be designated by the board. Such authorization may be by blanket authorization of all warrants appearing on a list or register, or may be by a standing order to draw warrants monthly, which order shall be good until revoked. A warrant is not valid until it is signed, numbered, and recorded by the county auditor.

CHAPTER 947

An act to add Sections 25303.1, 25303.2, 25303.3, 25303.4, 25303.5 and 25303.6 to the Government Code, relating to the acceptance of negotiable paper.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 25303.1 is added to the Government Code, to read:

25303.1. The board of supervisors of any county or city and county may authorize any officer of a county or judicial district who is not specifically authorized by any other code section to accept negotiable paper in payment of any assessment, license, permit, fee, fine, or other money owing to any county or city and county. After authorization by the board of supervisors, any officer of the county or judicial district governed by provisions of this section may, at his discretion, accept negotiable paper in payment of any assessment, license, permit, fee, fine or other money owing to the county or to the city and county.

Authoriza-
tion to
accept
negotiable
paper

SEC. 2. Section 25303.2 is added to said code, to read:

25303.2. As used in this chapter, negotiable paper means bank checks and drafts and express and post-office money orders.

"Negotiable
paper"

SEC. 3. Section 25303.3 is added to said code, to read:

25303.3. The acceptance of negotiable paper constitutes payment of any amount owing to a county or a city and county as of the date of acceptance when, but not before, the negotiable paper is duly paid.

Effect of
acceptance

SEC. 4. Section 25303.4 is added to said code, to read:

25303.4. The officer accepting negotiable paper may deposit it daily with a bank for collection and receive from the bank cashier's checks in an amount equal to the total deposit. The cashier's checks shall be deposited in the county treasury like cash received for the same purpose. The officer accepting negotiable paper may at his option deposit such negotiable paper daily in the county treasury instead of in a bank; and the county treasurer shall handle such negotiable paper like any other negotiable paper accepted by him.

Deposit of
negotiable
paper

If any negotiable paper is returned unpaid to the bank with which it was deposited, the bank shall return it to the officer who deposited it and, if its amount has been included in any cashier's check given by the bank, the bank is entitled to a refund in the amount of the unpaid negotiable paper. Any negotiable paper redeemed by or charged back to the county treasurer by reason of nonpayment shall be returned to the officer who deposited it with him. A memorandum charging the officer making the deposit and crediting the treasurer shall

be issued by the county auditor on the fund into which the original deposit was made.

SEC. 5. Section 25303.5 is added to said code, to read:

Effect of
nonpayment

25303.5. If any negotiable paper is not paid on due presentment for any reason, any record of payment made on any official record or in cash and fee book of the officer shall be canceled. Any receipt issued likewise shall be deemed to be canceled. The assessment, license, permit, fee, fine and other money is a lien as though no payment has been attempted.

The officer accepting negotiable paper shall make any memoranda necessary to enable him to make proper cancellation on its return without payment. The officer shall be discharged from accountability for collection on the dishonored paper only upon order of the board of supervisors.

SEC. 6. Section 25303.6 is added to said code, to read:

Cancellation
procedure

25303.6. When cancellation is made, the officer making it shall record it on the roll or on his cash and fee book. He shall immediately send a notice to the person who attempted payment by the negotiable paper of the cancellation of the payment.

The validity of any assessment, license, permit, fee, fine or other money is not affected by failure or irregularity in giving this notice.

CHAPTER 948

An act to amend Section 270e of the Penal Code, Section 195 of the Civil Code and Section 1962 of the Code of Civil Procedure, relating to presumptions of illegitimacy.

In effect
September
7, 1955

[Approved by Governor June 6, 1955 Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 270e of the Penal Code is amended to read:

Proof of
marriage,
parentage,
etc

270e. No other evidence shall be required to prove marriage of husband and wife, or that a person is the lawful father or mother of a child or children, than is or shall be required to prove such facts in a civil action. In all prosecutions under either Section 270 or 270a of this code any existing provisions of law prohibiting the disclosure of confidential communications between husband and wife shall not apply, and both husband and wife shall be competent to testify to any and all relevant matters, including the fact of marriage and the parentage of a child or children. Proof of the abandonment and nonsupport of a wife, or of the omission to furnish necessary food, clothing, shelter, or of medical attendance for a child or children is prima facie evidence that such abandonment and nonsupport or omission to furnish necessary food, clothing, shelter or medical attendance is wilful. In any prose-

cution under Section 270, it shall be competent for the people to prove nonaccess of husband to wife or any other fact establishing nonpaternity of a husband

SEC. 2. Section 195 of the Civil Code is amended to read:

195. The presumption of legitimacy can be disputed only by the people of the State of California in a criminal action brought under the provisions of Section 270 of the Penal Code, or the husband or wife, or the descendant of one or both of them. Illegitimacy, in such case, may be proved like any other fact.

Who may
dispute pre-
sumption of
legitimacy

SEC. 3. Section 1962 of the Code of Civil Procedure is amended to read:

1962. The following presumptions, and no others, are deemed conclusive:

Conclusive
presumptions

1. A malicious and guilty intent, from the deliberate commission of an unlawful act, for the purpose of injuring another;

2. The truth of the facts recited, from the recital in a written instrument between the parties thereto, or their successors in interest by a subsequent title; but this rule does not apply to the recital of a consideration;

3 Whenever a party has, by his own declaration, act, or omission, intentionally and deliberately led another to believe a particular thing true, and to act upon such belief, he cannot, in any litigation arising out of such declaration, act, or omission, be permitted to falsify it;

4. A tenant is not permitted to deny the title of his landlord at the time of the commencement of the relation;

5. Notwithstanding any other provision of law, the issue of a wife cohabiting with her husband, who is not impotent, is indisputably presumed to be legitimate;

6. The judgment or order of a court, when declared by this code to be conclusive; but such judgment or order must be alleged in the pleadings if there be an opportunity to do so; if there be no such opportunity, the judgment or order may be used as evidence;

7. Any other presumption which by statute is expressly made conclusive.

CHAPTER 949

An act to amend Section 224n of the Civil Code, relating to adoptions.

[Approved by Governor June 6, 1955. Filed with Secretary of State June 6, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 224n of the Civil Code is amended to read:

224n. The agency to which a child has been relinquished for adoption shall be responsible for the care of the child, and

shall be entitled to the custody and control of the child at all times until a petition for adoption has been granted. Any placement for temporary care, or for adoption made by the agency, may be terminated at the discretion of the agency at any time prior to the granting of a petition for adoption. In the event of termination of any placement for temporary care or for adoption, the child shall be returned promptly to the physical custody of the agency.

No petition may be filed to adopt a child relinquished to a licensed adoption agency except by the prospective adoptive parents with whom the child has been placed for adoption by the adoption agency. If an agency refuses to consent to the adoption of a child by the person or persons with whom the agency placed the child for adoption, the superior court may nevertheless decree the adoption if it finds that the refusal to consent is not in the best interest of the child.

CHAPTER 950

An act to amend Section 1657 of the Probate Code, relating to guardianship.

In effect
September
7, 1955

[Approved by Governor June 6, 1955 Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1657 of the Probate Code is amended to read:

1657. (a) Every guardian who has received or shall receive on account of his ward any moneys or other thing of value from the Veterans Administration shall file with the court annually, in addition to such other accounts as may be required by the court, a full, true, and accurate account under oath of all moneys or other things of value so received by him, all earnings, interest or profits derived therefrom and all property acquired therewith and of all disbursements therefrom, and showing the balance thereof in his hands at the date of the account and how invested.

(b) At the time of filing in the court any account, a true copy thereof shall be sent by the guardian to the office of the Veterans Administration having jurisdiction over the area in which the court is located. The clerk shall fix a time and place for the hearing on the account, not less than 15 days nor more than 30 days from the date same is filed, unless a different available date be stipulated in writing. Written notice of the time and place of hearing shall be given the Veterans Administration office concerned and the guardian and any others entitled to notice not less than 15 days prior to the date fixed for the hearing. The notice may be given by mail in which event it shall be deposited in the mails not less than 15 days prior to said date.

(c) If the guardian is accountable for property derived from sources other than the Veterans Administration, he shall be accountable as is or may be required under the applicable law of this State pertaining to the property of minors or persons of unsound mind who are not beneficiaries of the Veterans Administration, and as to such other property shall be entitled to the compensation provided by such law. The account for other property may be combined with the account filed in accordance with this section.

CHAPTER 951

An act to add Section 386.6 to the Code of Civil Procedure, relating to attorney fees in actions where parties are interpleaded.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 386.6 is added to the Code of Civil Procedure, to read:

386.6. A party to an action who follows the procedure set forth in Section 386 or 386.5 may insert in his motion, petition, complaint, or cross complaint a request for allowance of his costs and reasonable attorney fees incurred in such action. In ordering the discharge of such party, the court may, in its discretion, award such party his costs and reasonable attorney fees from the amount in dispute which has been deposited with the court. At the time of final judgment in the action the court may make such further provision for assumption of such costs and attorney fees by one or more of the adverse claimants as may appear proper.

CHAPTER 952

An act to amend Section 2165d of the Welfare and Institutions Code, relating to real property of applicants for and recipients of aid to the aged.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2165d of the Welfare and Institutions Code is amended to read:

2165d. Any proceeds, including trust deeds, from the conversion of real property into personal property received by an applicant or recipient of aid under this chapter shall be con-

sidered real property for a period of one year from the time of their receipt, if such proceeds are retained for the purpose of providing a home.

CHAPTER 953

An act to amend Section 19538 of, and to add Sections 19538.1, and 19538.2 to, the Business and Professions Code, relating to horse racing.

In effect
September
7, 1955

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 6, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 19538 of the Business and Professions Code is amended to read:

Charity days 19538. The board may grant not to exceed five additional racing days to each licensee during any one meeting, to be conducted as charity days by such licensee for the purpose of distribution of the net proceeds therefrom as hereinafter defined to beneficiaries through the distributing agent, as provided herein. The board shall require that the licensee of such meeting shall conduct such charity day racing and shall furnish its plant, facilities and all personnel and property necessary for the conduct of racing on the charity days as a condition of the issuance of a license to the licensee for the meeting. All racing officials required by law or regulation to serve in connection with the meeting shall also serve, without further authority or designation, in their respective capacities and at the same rate of compensation in connection with the charity day racing.

On such charity days the income from all operations carried on in connection with or resulting from the conduct of racing on such days, including income from pari-mutuel wagering, admissions, parking, program sales and concessions shall be income from operations on such charity days. From the gross income from such operations on charity days there shall be deducted only the expenses incurred because of the conduct of racing on such days, but no deduction shall be made by the licensee for any overhead expenses or for expenses of the licensee which would be incurred irrespective of the conduct of the charity days racing. The balance of such income after such deductions is herein designated as charity days' net proceeds and shall be paid by such licensee to a distributing agent selected and qualified in accordance with Section 19538.1 hereof. No profit shall be made, either directly or indirectly, from such charity days' operations by the licensee of the meeting.

SEC. 2. Section 19538.1 is added to said code, to read:

Distributing
agents

19538.1. The distributing agent for such charity days' net proceeds shall always be a nonprofit organization or corpora-

tion, or nonprofit organizations or corporations, selected by the licensee of the meeting and approved by the board. Each such distributing agent to be qualified hereunder must conform to the then existing laws and regulations of this State and the United States, so as to be exempt or be entitled to exemption from the payment of any tax measured by income. It shall have not less than five trustees or directors. None of the individuals constituting the governing board of trustees or directors of such distributing agent shall be directly connected with, be a stockholder, or have any interest in the racing association which is the licensee of the race meeting. Each of such individual trustees or directors shall be a person who is at the time (a) a resident of this State, and (b) an executive, officer, director, trustee or member of the governing body or board, by whatever name such governing body or board may be known, of an organization engaged in civic, religious, charitable, educational or veteran activities in this State.

SEC. 3. Section 19538.2 is added to said code, to read:

19538.2. Each licensee shall pay over such charity days' ^{Distribution of proceeds} net proceeds to such distributing agent as soon as practicable after the determination thereof, and such agent or agents shall hereafter distribute not less than 90 percent of the aggregate proceeds from charity days' racing received and available for distribution by it to beneficiaries within 12 calendar months after the last day of the meeting during which such charity days were conducted. The balance, if any, of such aggregate charity days' net proceeds not distributed within such 12-month period shall be distributed as soon thereafter as is practicable. Such distribution shall be made by such distributing agent to beneficiaries entitled by law as a nonprofit corporation to receive the same and themselves qualified as exempt or entitled to exemption from taxes measured by income under the same provisions of the laws of this State and of the United States as those under which the distributing agent is qualified, and which beneficiaries are engaged in charitable or benevolent, civic, religious, or veterans work similar to that of agencies recognized by an organized community chest in the State of California, but not excluding the use of funds so distributed for capital expenditures by such beneficiaries. Such beneficiaries, in addition, must be approved by the board.

Each distributing agent shall adopt by-laws, shall provide for election to fill vacancies in the board of directors or trustees, and shall hold at least one meeting each year.

Each distributing agent, within such 12-month period and prior to payment of any contribution to any beneficiary, shall submit to the board the names of each of such beneficiaries for the approval of such board. If the board does not disapprove such listed beneficiaries within 60 days after the submittal to such board of the names of the proposed beneficiaries, then the approval of such board shall be deemed to have been given.

CHAPTER 954

An act to add Sections 23045, 23046, and 23321.5 to, and to amend Sections 23320, 23321, 23397, 23664, 23786, 24040, 24046, 24407, 24468, 24469, and 25171 of, the Business and Professions Code, relating to alcoholic beverages.

In effect
September
7, 1955

[Approved by Governor June 6, 1955 Filed with
Secretary of State June 6, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 23045 is added to the Business and Professions Code, to read:

Definitions

23045. "Air common carrier" means a person engaged in regularly scheduled air transportation between fixed termini under a certificate of public convenience and necessity issued by the Civil Aeronautics Board, and "airplane" or "common carrier airplane" means an airplane operated in air transportation by an air common carrier.

SEC. 2. Section 23046 is added to said code, to read:

"Scheduled
flight"

23046. "Scheduled flight" means a regularly scheduled and advertised flight of an air common carrier but does not mean each daily operation of airplanes upon such flight.

SEC. 3. Section 23320 of said code is amended to read:

License fees

23320. The following are the types of licenses to be issued under this division and the annual fees to be charged therefor:

- | | |
|---|-------------------|
| (1) Beer manufacturer's license..... | \$825.00 per year |
| (2) Wine grower's license (to be computed
only on the gallonage produced),
5,000 gallons or less..... | 22.00 per year |
| Over 5,000 gallons to 20,000 gallons per
year | 44.00 per year |
| Over 20,000 to 100,000 gallons per year | 82.50 per year |
| Over 100,000 to 200,000 gallons per year | 110.00 per year |
| Over 200,000 gallons to 1,000,000 gal-
lons a year | 165.00 per year |
| For each 1,000,000 gallons or fraction
thereof over 1,000,000 gallons an
additional | 110.00 per year |
| (3) Brandy manufacturer's license | 165.00 per year |
| (4) Distilled spirits manufacturer's license | 275.00 per year |
| (5) Distilled spirits manufacturer's agent's
license | 275.00 per year |
| (6) Still license | 11.00 per year |
| (7) Rectifier's license | 275.00 per year |
| (8) Wine rectifier's license | 275.00 per year |
| (9) Beer bottling or packaging license | 550.00 per year |
| (10) Beer and wine importer's license | No fee |
| (11) Brandy importer's license | No fee |
| (12) Distilled spirits importer's license | No fee |

(13) Public warehouse license-----	\$11.00 per year
(14) Customs broker's license -----	55.00 per year
(15) Wine broker's license-----	55.00 per year
(16) Beer and wine wholesaler's license----	55.00 per year
(17) Distilled spirits wholesaler's license----	275.00 per year
(18) Industrial alcohol dealer's license-----	55.00 per year
(19) Retail package off-sale beer and wine license -----	11.00 per year
(20) Retail package off-sale general license for the first \$10,000 retail sales of distilled spirits per year-----	121.00 per year
For each \$1,000 or fraction thereof of retail sales of distilled spirits over \$10,000 per year-----	11.00 per year
But not exceeding in all the maximum of -----	825.00 per year
(21) On-sale beer license-----	27.50 per year
(22) On-sale beer and wine license-----	82.50 per year
(23) On-sale beer and wine license for trains (per train)-----	16.50 per year
(24) On-sale beer and wine license for boats (per boat)-----	55.00 per year
(25) On-sale beer and wine license for air- planes (per scheduled flight)-----	16.00 per year
(26) On-sale general license----- plus an additional fee as set by the board for the distilled spirits privi- leges	82.50 per year
(27) On-sale general license for seasonal business ----- plus an additional fee as set by the board for the distilled spirits privi- leges	20.62 per quar- ter year
(28) On-sale general license for airplanes --- Duplicate on-sale general license for air common carriers -----	128.00 per year 10.00 per year

Every fee imposed with respect to a license by any other provision of this division shall be increased to an amount equal to ten percent (10%) of the amount of such fee.

The increase in fees made by this amendment shall not be affected by the limitation placed by Section 26004 upon the existence of the Alcoholic Rehabilitation Commission.

SEC. 4. Section 23320 of said code is amended to read:

23320. The following are the types of licenses to be issued *Same*
under this division and the annual fees to be charged therefor:

(1) Beer manufacturer's license-----	\$828.00 per year
(2) Wine grower's license (to be computed only on the gallonage produced), 5,000 gallons or less-----	22.00 per year
Over 5,000 gallons to 20,000 gallons per year -----	44.00 per year

Over 20,000 to 100,000 gallons per year	\$82.50 per year
Over 100,000 to 200,000 gallons per year	110.00 per year
Over 200,000 gallons to 1,000,000 gallons a year	165.00 per year
For each 1,000,000 gallons or fraction thereof over 1,000,000 gallons an additional	110.00 per year
(3) Brandy manufacturer's license	168.00 per year
(4) Distilled spirits manufacturer's license	276.00 per year
(5) Distilled spirits manufacturer's agent's license	276.00 per year
(6) Still license	12.00 per year
(7) Rectifier's license	276.00 per year
(8) Wine rectifier's license	276.00 per year
(9) Beer and wine importer's license	No fee
(10) Brandy importer's license	No fee
(11) Distilled spirits importer's license	No fee
(12) Public warehouse license	12.00 per year
(13) Customs broker's license	56.00 per year
(14) Wine broker's license	56.00 per year
(15) Beer and wine wholesaler's license	56.00 per year
(16) Distilled spirits wholesaler's license	276.00 per year
(17) Industrial alcohol dealer's license	56.00 per year
(18) Retail package off-sale beer and wine license	12.00 per year
(19) Retail package off-sale general license for under \$20,000 gross retail sales of distilled spirits per year	200.00 per year
In addition, for \$20,000 or more gross retail sales of distilled spirits per year	200.00 per year
(20) On-sale beer license	28.00 per year
(21) On-sale beer and wine license	84.00 per year
(22) On-sale beer and wine license for trains (per train)	16.00 per year
(23) On-sale beer and wine license for boats (per boat)	56.00 per year
(24) On-sale beer and wine license for airplanes (per scheduled flight)	16.00 per year
(25) On-sale general license:	
In cities of 40,000 population or over	580.00 per year
In cities of less than 40,000 but more than 20,000 population	412.00 per year
In all other localities	360.00 per year
(26) On-sale general license for seasonal business:	
In cities of 40,000 population or over	145.00 per quarter year

In cities of less than 40,000 but more than 20,000 population		\$103.00 per quarter year
In all other localities		90.00 per quarter year
(27) (a)	On-sale general license for bona fide clubs,	
(b)	club license (issued under Article 4 of this chapter), or	
(c)	veterans' club license (issued under Article 5 of this chapter):	
	In cities of 40,000 population or over	330.00 per year
	In cities of less than 40,000 but more than 20,000	248.00 per year
	In all other localities	220.00 per year
(28)	On-sale general license for trains and sleeping cars	128.00 per year
	Duplicate on-sale general license for trains and sleeping car companies	32.00 per year
(29)	On-sale general license for boats	332.00 per year
(30)	On-sale general license for airplanes	128.00 per year
	Duplicate on-sale general license for air common carriers	10.00 per year

Every fee imposed with respect to a license by any other provision of this division shall be increased to an amount equal to ten percent (10%) of the amount of such fee.

The increase in fees made by Chapter 22 of the 1954 First Extraordinary Session and by the act amending this section shall not be affected by the limitation placed by Section 26004 upon the existence of the Alcoholic Rehabilitation Commission.

SEC. 5. Section 23321 of said code is amended to read:

23321. In fixing license fees for on-sale general licenses, the board may place common carrier boats, trains, and airplanes in a separate classification or separate classifications, and fix different or lesser license fees for boats, for trains, or for airplanes than those fixed for other on-sale general licenses, giving consideration to the limited number of possible customers on boats, trains, or airplanes and the limited number of hours within which it is practicable to exercise the license on a boat, train, or airplane.

Fees for
boats,
trains, etc

SEC. 6. Section 23321 of said code is amended to read:

23321. The license for trains shall be issued to a railroad company or other person selling distilled spirits on board trains operating in this State, and a duplicate thereof shall be obtained for each train on which distilled spirits are sold. The license for cars of sleeping car companies shall be issued to a sleeping car company operating sleeping cars in this State, and a duplicate thereof shall be obtained for each train in which distilled spirits are sold by such companies. The license for airplanes shall be issued to an air common carrier selling distilled spirits on board airplanes operating in this State, and

Licenses for
trains, air-
planes, etc

a duplicate thereof shall be obtained for each scheduled flight on which distilled spirits are sold.

SEC. 7. Section 23321.5 is added to said code, to read:

Licenses for
airplanes

23321.5. The license for airplanes shall be issued to an air common carrier selling distilled spirits on board airplanes operating in this State, and a duplicate thereof shall be obtained for each scheduled flight on which distilled spirits are sold.

SEC. 8. Section 23397 of said code is amended to read:

Limitations
on service

23397. Alcoholic beverages may be served on trains, boats, and airplanes under on-sale licenses issued for trains, boats, and airplanes, only to passengers or employees not on duty.

Alcoholic beverages may be served on airplanes under on-sale licenses with meals only, and no charge, in addition to the price of the ticket for passage on an airplane, shall be made for the service of such alcoholic beverages.

SEC. 9. Section 23664 of said code is amended to read:

When not
deemed
importer

23664. A railroad, sleeping car, dining car, boat, or steamship company or air common carrier carrying interstate or foreign passengers on trains, boats, or airplanes shall not be deemed to be an importer or subject to an importer's license for bringing into this State alcoholic beverages for the purpose of sale within this State on the trains, cars, boats, or airplanes on which the alcoholic beverages are brought into this State exclusively to passengers or employees not on duty, and for carrying the same alcoholic beverages or any unsold portion thereof out of this State in due course of operation.

SEC. 10. Section 23786 of said code is amended to read:

Licenses
restricted to
public eating
places

23786. Retailer's on-sale beer and wine licenses or on-sale general licenses shall be issued only to bona fide hotels, restaurants, cafes, cafeterias, railroad dining or club cars, passenger ships, common carrier airplanes, or other public eating places, or to bona fide clubs after such clubs have been lawfully operated for not less than one year.

SEC. 11. Section 24040 of said code is amended to read:

Issuable
only to
specific
person and
location

24040. Each license shall be issued to a specific person and, except in the case of licenses authorizing the sale of alcoholic beverages on trains, boats, or airplanes, shall be issued for a specific location, the principal address of which shall be indicated on the license.

SEC. 12. Section 24046 of said code is amended to read:

Posting
licenses

24046. Upon receipt of any license, the licensee shall sign it and post it in a conspicuous place upon the licensed premises. Licenses issued for trains, boats, or airplanes may, in lieu of being posted upon the train, boat, or airplane for which issued, be posted in such other place in this State as the board shall designate.

SEC. 13. Section 24407 of said code is amended to read:

Excise
taxes
Beverages
used without
this State

24407. No tax shall be imposed upon the sale of alcoholic beverages by a licensee in this State to a common carrier or to a person licensed to sell alcoholic beverages on boats, trains, or airplanes operated by a common carrier when the alcoholic

beverages are to be used without this State; nor in such case need the common carrier procure a license for purposes of purchasing alcoholic beverages from a licensed manufacturer, wine grower, rectifier, importer, or wholesaler.

SEC. 14. Section 24468 of said code is amended to read:

24468. Whenever distilled spirits are sold by manufacturers, rectifiers, importers, or wholesalers to common carriers engaged in interstate or foreign passenger service for use or sale by the carriers partly within the State and partly without the State on board boats, trains, or airplanes, or to persons licensed to sell distilled spirits on board such boats, trains, or airplanes, the tax shall not be levied on the sales made by manufacturers, rectifiers, importers, or wholesalers. Sales for interstate use

SEC. 15. Section 24469 of said code is amended to read:

24469. An excise tax is levied on sales made in this State of distilled spirits by common carriers on board boats, trains, and airplanes, or by persons licensed to sell distilled spirits on board such boats, trains, and airplanes, at the same rates as set forth in Section 24465. On or before the first day of each month such common carriers and such other licensed persons shall forward to the board a verified report of the sales of distilled spirits so made in the calendar month preceding the previous calendar month, in such detail and form as the board may prescribe, together with a payment sufficient to pay the tax on the sales. Sales by common carriers, etc

SEC. 16. Section 25171 of said code is amended to read:

25171. Any rectifier or wholesaler of distilled spirits who delivers to the premises of any on- or off-sale general licensee or any on- or off-sale general licensee who sells or has in his possession at the licensed premises distilled spirits in packages containing more than one gallon or less than one-half pint is guilty of a misdemeanor, except that this section does not apply to packages of distilled spirits in containers less than one-half pint which are sold and delivered to railroad, sleeping car, or steamship companies or air common carriers for use and consumption on trains, boats, or airplanes. Minimum and maximum containers

SEC. 17. Sections 4 and 6 of this act become operative only if Assembly Bill No. 796 is enacted by the Legislature at the 1955 Regular Session, and in such case at the same time as said act takes effect, at which time Section 23320 of the Business and Professions Code, as amended by Section 3 of this act, and Section 23321 of said code, as amended by Section 5 of this act, are repealed. Effect 1955 Ch 1221

CHAPTER 955

An act to add Chapter 1.5 to Title 8, and to repeal Sections 68805, 69101, and 72601 and Article 4, Chapter 5 of Title 8, and to amend Sections 68540, 68542, 72055, 72056, 72057, 72058, 72059, 72060, 72061, 72062, 72065, 72066, 72067, 72068, 73341, 73391, 73431, 73481, 73521, 73561, 73601,

73641, 73681, 73731, 73771, 73821, 73871, 73911, 73951, 73991, 74011, 74041, 74081, 74131, 74181, 74221, 74261, 74301, 74341, 74501, 74601, 74641, 74691, 74741, 74781, 74801, 74841, and 74881, of the Government Code, relating to the compensation of judges and court fees.

In effect
September
7, 1955

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 7, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 1.5 is added to Title 8 of the Government Code, to read:

CHAPTER 1.5. COMPENSATION OF JUSTICES AND
JUDGES OF COURTS OF RECORD

Salaries
Chief Justice
of Supreme
Court

68200. The annual salary of the Chief Justice of the Supreme Court is twenty-four thousand dollars (\$24,000).

68201. The annual salary of each of the following justices and judges is the amount of the salary of the Chief Justice of the Supreme Court less the amount indicated opposite the name of the office:

Associate
Justices of
Supreme
Court,
District
Court of
Appeal
Justices, etc.

(a) Associate Justice of the Supreme Court, one thousand dollars (\$1,000).

(b) Presiding Justice of District Court of Appeal, two thousand dollars (\$2,000).

(c) Justice of District Court of Appeal other than Presiding Justice, two thousand five hundred dollars (\$2,500).

(d) Judge of the superior court of a county having a population of 250,000 or more, six thousand dollars (\$6,000).

(e) Judge of the superior court of a county having a population of more than 40,000 and less than 250,000, seven thousand five hundred dollars (\$7,500).

(f) Judge of the superior court of a county having a population of 40,000 or less, nine thousand dollars (\$9,000).

Municipal
court judges:
Counties
with
500,000
or more
population

68202. The annual salary of a judge of a municipal court in a county having a population of 500,000 or more is fifteen hundred dollars (\$1,500) less than the annual salary of a judge of a superior court of the same county.

Population
between
250,000 and
500,000

68203. The annual salary of a judge of a municipal court in a county having a population of 250,000 or more and less than 500,000 is fifteen hundred dollars (\$1,500) less than the annual salary of a judge of a municipal court in a county having a population of 500,000 or more.

Population
between
40,000 and
250,000

68204. The annual salary of a judge of a municipal court in a county having a population of more than 40,000 and less than 250,000 is three thousand dollars (\$3,000) less than the annual salary of a judge of a municipal court in a county having a population of 500,000 or more.

Payment by
county for
superior
court judge's
salary

68206. Of the annual salary of each superior court judge the county for which he is elected or appointed shall pay

the amount prescribed below and the remainder shall be paid by the State:

(a) Nine thousand five hundred dollars (\$9,500) for a county of 250,000 or more.

(b) Seven thousand five hundred dollars (\$7,500) for a county of more than 40,000 and less than 250,000.

(c) Five thousand five hundred dollars (\$5,500) for a county of 40,000 or less.

68207. For the purpose of this chapter the population of each county of the State is the population determined for the county pursuant to subdivision (a) hereof or, if the provisions of subdivision (b) apply to a county, pursuant to subdivision (b) hereof. Determination of population

(a) The population of each county is as shown and determined by the last preceding decennial census taken under the authority of the Congress of the United States, except that whenever a new decennial census is taken under such authority after the effective date of this section the population shown and determined thereby shall be deemed the population of the county commencing on the first day of July in the year next succeeding the year as of which such census is taken and not before.

(b) Within 15 days after the effective date of this section, the Secretary of State shall determine the number of registered voters qualified to vote in each county at the general state election of 1954, and he shall thereafter, before the first day of December of each even-numbered year, so determine the number of registered voters in each county, qualified to vote at the general state election held during such even-numbered year. Upon determining such number of registered voters, the Secretary of State shall multiply the total in each county by two and certify the result to the Controller. The Controller shall forthwith ascertain from such certification whether any county has a population, determined as provided in this subdivision, which would raise it to a higher classification under this chapter than as determined by subdivision (a) of this section. If any county is so ascertained to be within such higher classification, the Controller shall promptly certify such fact to the board of supervisors of that county. For the purpose of this chapter each such county shall immediately after such certification by the Controller in 1955 and commencing on the first day of July following each general state election thereafter, be deemed to be of the population so certified by the Controller.

SEC. 2. Section 68540 of said code is amended to read:

68540. (a) Whenever a judge of a superior court is assigned by the Chairman of the Judicial Council to sit in a superior court in another county, any extra compensation to which this judge is entitled under the Constitution for the time so served shall be paid by the county to which such judge is assigned. Extra compensation and expenses Superior courts

Further, where such extra compensation is paid by a given county to a particular judge for a total time so served of 30 days or more within any one fiscal year, such county shall also reimburse the county in which such judge was elected or appointed by the Governor as a superior court judge in an amount equal to that portion of the regular salary of such judge paid for said time by the last mentioned county. This reimbursement shall be made from the same funds as the extra compensation is paid, and at such times and in such manner as the State Controller may by rule provide

In computing the time served under this subdivision (a), there shall be counted the actual time so served, plus Saturday, Sunday and holiday time duly allocable thereto.

(b) The State shall pay the same proportion of the extra compensation of a judge of a municipal or justice court, assigned to a superior court, that it pays of the salary of a judge of the superior court to which the assignment is made, and the remainder of such extra compensation shall be paid by the county in and for which is held the superior court to which the assignment is made.

SEC. 2.5. Section 68542 of said code is amended to read:

Expenses
Superior
court judges
and lower
court judges

68542. The expenses for travel, board, and lodging of each judge assigned to a superior court or court of lower jurisdiction than a superior court in a county other than that in which he regularly sits shall be borne by the county to which the judge is assigned. The judge is entitled to, and the county shall pay, a per diem allowance in lieu of expenses for board and lodging. The amounts payable under this section shall be the same as the amounts payable for such purposes to justices of the Supreme Court under the rules of the State Board of Control.

Repeals

SEC. 3. Sections 68805, 69101, and 72601 and Article 4, Chapter 5, Title 8, of the Government Code are repealed.

SEC. 4. Section 73341 of said code is amended to read:

Number of
judges

73341. There shall be one judge.

SEC. 5. Section 73391 of said code is amended to read:

73391. There shall be four judges.

SEC. 6. Section 73431 of said code is amended to read:

73431. There shall be three judges.

SEC. 7. Section 73481 of said code is amended to read:

73481. There shall be two judges.

SEC. 8. Section 73521 of said code is amended to read:

73521. There shall be one judge.

SEC. 9. Section 73561 of said code is amended to read:

73561. There shall be one judge.

SEC. 10. Section 73601 of said code is amended to read:

73601. There shall be one judge.

SEC. 11. Section 73641 of said code is amended to read:

73641. There shall be one judge.

SEC. 12. Section 73681 of said code is amended to read:

73681. There shall be four judges.

- SEC. 13. Section 73731 of said code is amended to read:
73731. There shall be two judges.
- SEC. 14. Section 73771 of said code is amended to read:
73771. There shall be two judges.
- SEC. 15. Section 73821 of said code is amended to read:
73821. There shall be two judges.
- SEC. 16. Section 73871 of said code is amended to read:
73871. There shall be one judge.
- SEC. 17. Section 73911 of said code is amended to read:
73911. There shall be seven judges.
- SEC. 18. Section 73951 of said code is amended to read:
73951. There shall be one judge.
- SEC. 19. Section 73991 of said code is amended to read:
73991. There shall be two judges.
- SEC. 20. Section 74011 of said code is amended to read:
74011. There shall be one judge.
- SEC. 21. Section 74041 of said code is amended to read:
74041. There shall be two judges.
- SEC. 22. Section 74081 of said code is amended to read:
74081. There shall be three judges.
- SEC. 23. Section 74131 of said code is amended to read:
74131. There shall be two judges.
- SEC. 24. Section 74181 of said code is amended to read:
74181. There shall be four judges.
- SEC. 25. Section 74221 of said code is amended to read:
74221. There shall be one judge.
- SEC. 26. Section 74261 of said code is amended to read:
74261. There shall be three judges.
- SEC. 27. Section 74301 of said code is amended to read:
74301. There shall be two judges.
- SEC. 28. Section 74341 of said code is amended to read:
74341. There shall be eight judges.
- SEC. 29. Section 74501 of said code is amended to read:
74501. There shall be 12 judges.
- SEC. 30. Section 74601 of said code is amended to read:
74601. There shall be two judges.
- SEC. 31. Section 74641 of said code is amended to read:
74641. There shall be one judge.
- SEC. 32. Section 74691 of said code is amended to read:
74691. There shall be two judges.
- SEC. 33. Section 74741 of said code is amended to read:
74741. There shall be one judge.
- SEC. 34. Section 74781 of said code is amended to read:
74781. There shall be one judge.
- SEC. 35. Section 74801 of said code is amended to read:
74801. There shall be four judges.
- SEC. 36. Section 74841 of said code is amended to read:
74841. There shall be one judge.
- SEC. 37. Section 74881 of said code is amended to read:
74881. There shall be one judge.

Fees Filing complaint, other first paper	<p>SEC. 38. Section 72055 of said code is amended to read:</p> <p>72055. The fee for filing the complaint, or other first paper is six dollars (\$6), to include all proceedings before trial and all services to be performed in a judgment by default or for the trial of either a question of law or fact, including all affidavits, swearing witnesses and jury, and entry of judgment.</p>
First paper on behalf of party other than plaintiff	<p>SEC. 39. Section 72056 of said code is amended to read:</p> <p>72056. The fee for filing the first paper on behalf of any party, other than plaintiff, is three dollars (\$3), for each such party.</p>
Papers from another court	<p>SEC. 40. Section 72057 of said code is amended to read:</p> <p>72057. The fee for filing the papers transmitted from another court, on the transfer of a civil action or proceeding, and all proceedings before trial and all services, is six dollars (\$6).</p>
Change of venue	<p>SEC. 41. Section 72058 of said code is amended to read:</p> <p>72058. When the venue in a case in a municipal court is changed, the fee for making up and transmission of transcript and papers is one dollar and fifty cents (\$1.50), and a further sum equal to the fee for filing in the court to which the case is to be transferred. The clerk shall transmit such filing fee, with the papers in the case, to the clerk or judge of the court to which the case is transferred.</p>
Abstract of judgment	<p>SEC. 42. Section 72059 of said code is amended to read:</p> <p>72059. The fee for receiving and filing an abstract of judgment rendered by a judge of another court and for subsequent services based on it is six dollars (\$6).</p>
Papers, etc., on appeal	<p>SEC. 43. Section 72060 of said code is amended to read:</p> <p>72060. The fee for certificate and transmitting transcript and papers on appeal is one dollar and fifty cents (\$1.50).</p>
Transcript of register of actions	<p>SEC. 44. Section 72061 of said code is amended to read:</p> <p>72061. The fee for issuing a transcript of the register of actions is one dollar and fifty cents (\$1.50).</p>
Abstract of judgment	<p>SEC. 45. Section 72062 of said code is amended to read:</p> <p>72062. The fee for issuing an abstract of judgment is one dollar and fifty cents (\$1.50).</p>
Writ of execution, etc	<p>SEC. 46. Section 72065 of said code is amended to read:</p> <p>72065. The fee for issuing a writ of execution, a writ of restitution, a writ of possession, or any writ for the enforcement of any order or judgment is one dollar and fifty cents (\$1.50).</p>
Order of sale	<p>SEC. 47. Section 72066 of said code is amended to read:</p> <p>72066. The fee for issuing an order of sale is three dollars (\$3).</p>
Exemplification of record, etc.	<p>SEC. 48. Section 72067 of said code is amended to read:</p> <p>72067. The fee for exemplification of record or other paper on file, besides the charges allowed for copying or comparing is three dollars (\$3).</p>
Motion for new trial	<p>SEC. 49. Section 72068 of said code is amended to read:</p> <p>72068. The fee for filing any notice of intention to move for a new trial of any cause is four dollars (\$4).</p>

CHAPTER 956

An act to amend Sections 4452, 4453, 4455, 4460, 4656 and 4702 of the Labor Code, relating to workmen's compensation.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 7, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4452 of the Labor Code is amended to read:

4452. Four times the average annual earnings shall be taken at not less than four thousand eight hundred dollars and sixty-four cents (\$4,800.64) nor more than twelve thousand eight hundred dollars and thirty-two cents (\$12,800.32) in disability cases, and in death cases shall be taken at not less than the minimum nor more than the maximum limits as provided in Section 4702 of this code.

Average
annual
earnings
Disability
and death
cases

SEC. 2. Section 4453 of the Labor Code is amended to read:

4453. In computing average annual earnings for the purposes of temporary disability indemnity only, the average weekly earnings shall be taken at not less than twenty-three dollars and eight cents (\$23.08) nor more than sixty-one dollars and fifty-four cents (\$61.54). In computing average annual earnings for purposes of permanent disability indemnity, the average weekly earnings shall be taken at not less than twenty-three dollars and eight cents (\$23.08) nor more than fifty-three dollars and eighty-five cents (\$53.85). Between these limits the average weekly earnings, except as provided in Sections 4456 to 4459, shall be arrived at as follows:

Temporary
disability
indemnity

Permanant
disability
indemnity

Average
weekly
earnings

(a) Where the employment is for 30 or more hours a week and for five or more working days a week, the average weekly earnings shall be 95 percent of the number of working days a week times the daily earnings at the time of the injury.

(b) Where the employee is working for two or more employers at or about the time of the injury, the average weekly earnings shall be taken as 95 percent of the aggregate of such earnings from all employments computed in terms of one week; but the earnings from employments other than the employment in which the injury occurred shall not be taken at a higher rate than the hourly rate paid at the time of the injury.

(c) If the earnings are at an irregular rate, such as piece-work, or on a commission basis, or are specified to be by the week, month, or other period, then the average weekly earnings mentioned in subdivision (a) above shall be taken as 95 percent of the actual weekly earnings average for such period of time, not exceeding one year, as may conveniently be taken to determine an average weekly rate of pay.

(d) Where the employment is for less than 30 hours per week, or where for any reason the foregoing methods of arriving at the average weekly earnings cannot reasonably

and fairly be applied, the average weekly earnings shall be taken at 95 percent of the sum which reasonably represents the average weekly earning capacity of the injured employee at the time of his injury, due consideration being given to his actual earnings from all sources and employments.

SEC. 3. Section 4455 of the Labor Code is amended to read:
Employee under age 21 4455. If the injured employee is under 21 years of age, and his incapacity is permanent, his average weekly earnings shall be deemed, within the limits fixed in Section 4453, to be the weekly sum which under ordinary circumstances he would probably be able to earn at the age of 21 years, in the occupation in which he was employed at the time of the injury or in any occupation to which he would reasonably have been promoted if he had not been injured. If such probable earnings at the age of 21 years cannot reasonably be determined, his average weekly earnings shall be taken as fifty-three dollars and eighty-five cents (\$53.85).

SEC. 4. Section 4460 of the Labor Code is amended to read:
Computation of disability indemnity 4460. For the purpose of computing the temporary disability indemnity payable to any employee who sustains an original injury causing temporary disability, the maximum average weekly earnings shall be taken at sixty-one dollars and fifty-four cents (\$61.54). For the purpose of computing the permanent disability indemnity payable to any employee who sustains an original injury causing permanent disability, the maximum average weekly earnings shall be taken at fifty-three dollars and eighty-five cents (\$53.85).

Every computation made pursuant to this section as last amended shall be made only with reference to temporary disability or such permanent disability resulting from an original injury sustained after the act last amending this section becomes effective; provided, however, that all rights presently existing under this section shall be continued in force.

SEC. 5. Section 4656 of the Labor Code is amended to read:
Aggregate payments Temporary disability 4656. Aggregate disability payments for a single injury causing temporary disability shall not extend beyond 240 weeks from the date of the injury.

SEC. 6. Section 4702 of the Labor Code is amended to read:
Death benefit in total dependency cases 4702. Except as provided in the next paragraph, the death benefit in cases of total dependency, when added to all accrued disability indemnity, shall be the sum of ten thousand dollars (\$10,000) except in the case of a surviving widow and one or more dependent minor children, in which case the death benefit shall be increased 25 percent, but not to exceed twelve thousand five hundred dollars (\$12,500) and except as otherwise provided in Sections 4553 and 4554. In cases of partial dependency the death benefit shall be a sum equal to four times the amount annually devoted to the support of the dependents by the employee, not to exceed the sum of ten thousand dollars (\$10,000). The death benefit in all cases shall be

paid in installments in the same manner and amounts as temporary disability indemnity, payments to be made at least twice each calendar month, unless the commission otherwise orders.

Disability indemnity shall not be deducted from the death benefit and shall be paid in addition to the death benefit when the original injury resulting in death occurs after the effective date of the amendment to this section adopted at the 1949 Regular Session of the Legislature.

Every computation made pursuant to this section shall be made only with reference to death resulting from an original injury sustained after this section as amended during the 1955 Regular Session of the Legislature becomes effective; provided, however, that all rights presently existing under this section shall be continued in force.

SEC. 7. This bill shall be known as the Abshire-Maloney-^{Short title} John McCarthy-Murdy-J. Howard Williams Bill.

CHAPTER 957

An act to amend Sections 2652, 2655, 2656, and 3270 of, to add Section 3271 to, and to repeal Section 3269 of, the California Unemployment Insurance Code, relating to unemployment compensation disability benefits.

[Approved by Governor June 6, 1955. Filed with
Secretary of State June 7, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 2655 of the California Unemployment Insurance Code is amended to read:

2655. An individual's "weekly benefit amount" shall be the amount appearing in Column B in the table set forth in this section on the line of which in Column A of such table there appears the wage bracket containing the amount of wages paid to such individual for employment by employers during the quarter of his disability base period in which such wages were the highest.

A	B
Amount of wages in highest quarter	Weekly benefit amount
\$75- \$149.99	\$10
150- 174.99	11
175- 199.99	12
200- 224.99	13
225- 249.99	14
250- 274.99	15
275- 299.99	16

A Amount of wages in highest quarter	B Weekly benefit amount
\$300- \$324.99	\$17
325- 349.99	18
350- 374.99	19
375- 399.99	20
400- 424.99	21
425- 449.99	22
450- 474.99	23
475- 499.99	24
500- 524.99	25
525- 549.99	26
550- 574.99	27
575- 599.99	28
600- 624.99	29
625- 649.99	30
650- 674.99	31
675- 699.99	32
700- 724.99	33
725- 749.99	34
750- 774.99	35
775- 799.99	36
800- 824.99	37
825- 849.99	38
850- 874.99	39
875 and over	40

For the purpose of this section, when an individual has been paid remuneration which would be taxable except for the three thousand dollars (\$3,000) limitation on taxable wages, the "quarter of his base period in which his wages were the highest" may be determined by allocating to any quarter of the calendar year falling within the base period that portion of the taxable wages which is equal to the amount of remuneration paid to him in that quarter or eight hundred seventy-five dollars (\$875), whichever is the lesser. The term "remuneration" as used in this section means taxable wages as well as wages which would be taxable except for the three thousand dollars (\$3,000) limitation on taxable wages.

SEC. 2. Section 2652 of said code is amended to read:

Requirement
for valid
claim

2652. An individual cannot establish a valid claim unless he has during his disability base period been paid wages for employment by employers of not less than three hundred dollars (\$300). If more than 75 percent of his disability base period wages were paid during a single calendar quarter, he is not eligible for benefits unless his total wages during the disability base period are not less than 30 times his weekly benefit amount, or not less than seven hundred fifty dollars (\$750), whichever is lower.

SEC. 3. Section 2656 of said code is amended to read:

2656. An individual eligible to receive disability benefits who receives wages or regular wages from his employer during the period of his disability shall be paid disability benefits for any day in an amount not to exceed his maximum daily amount which together with the wages or regular wages does not exceed for such day one-seventh of his weekly wage immediately prior to the commencement of his disability.

Maximum
amount

SEC. 4. Section 3269 of said code is repealed.

Repeal

SEC. 5. The repeal of Section 3269 of the code shall become effective with respect to the fiscal year ending June 30, 1956, and the repeal shall not affect any assessments made thereunder for prior fiscal years, nor shall it affect the right of the director to proceed with effecting collections of any assessments for such prior fiscal years.

Effect of
repeal

SEC. 6. Section 3270 of said code is amended to read:

3270. The provisions of Section 3254(h) and 3255(h), dealing with substantial selection of risks adverse to the Disability Fund shall be inoperative during the calendar years 1954, 1955, 1956 and 1957.

Approval
of plans

SEC. 7. Section 3271 is added to said code, to read:

3271. Until January 10, 1956, the commission shall approve any amendment to a voluntary plan adjusting future benefits as to which it finds that the plan as amended will conform to the standards set forth in Section 3254 and that either of the following exist:

Approval of
amendments
to voluntary
plans

(a) A majority of the employees covered by the plan have consented in writing to the amendment.

(b) All of the employees covered by the plan who are adversely affected by the amendment have consented in writing to the amendment.

(c) A notice, the form of which has been approved by the commission, has been posted and circulated to the employees covered by the plan at least 10 days prior to the effective date of the proposed amendment that the plan is to be amended and of their right to withdraw from the plan.

Nothing contained in this section is intended to deny or limit the right of the commission to make regulations supplementary thereto prior to January 10, 1956, nor on the general subject of requirements for amendments of voluntary plans subsequent to January 10, 1956.

SEC. 8. The amendments of Sections 2652, 2655 and 2656 of the code made by this act shall become operative with respect to periods of disability commencing on and after January 1, 1956, and the provisions of said sections of the code in effect prior to such amendments shall continue to be applicable with respect to periods of disability commencing prior to January 1, 1956.

Operative
dates

CHAPTER 958

An act to add Article 3 to Chapter 2 of Division 17 of the Streets and Highways Code, relating to the San Pedro-Terminal Island Tube.

In effect
September
7, 1955

[Approved by Governor June 12, 1955. Filed with
Secretary of State June 14, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 3 is added to Chapter 2 of Division 17 of the Streets and Highways Code, to read:

Article 3. San Pedro-Terminal Island Tube

30680. As used in this article:

Definitions

(a) "Toll tube" means a toll tube across Los Angeles Harbor between San Pedro and Terminal Island, to be known as the San Pedro-Terminal Island Tube, and the approaches thereto.

(b) "City" means the City of Los Angeles.

(c) "Board" means the Board of Harbor Commissioners of the City of Los Angeles.

Alternative
procedure

30681. This article provides an alternative method of proceeding with respect to the financing, construction, operation, maintenance, and insurance of the toll tube. Nothing in this article shall prevent the California Toll Bridge Authority and department from proceeding under Chapter 1 of this division with respect to the toll tube without regard to this article.

Applicable
laws

30682. If the California Toll Bridge Authority elects to proceed under the terms of this article, it may instruct the department to enter into an agreement with the board on behalf of, and in the name of, the authority. If such agreement has been entered into as hereinafter provided in this article, the authority may issue bonds for the construction of the toll tube and undertake its construction pursuant to Chapter 1 of this division. The provisions of Chapter 1 of this division, insofar as they are not in conflict with the provisions of this article, shall apply to the proceedings under this article.

Lease of
toll tube

The agreement with the board shall provide for the lease of the toll tube to the city at an annual rental fixed by the authority in an amount sufficient to provide annually not less than the minimum amounts necessary for interest, sinking fund, redemption, and reserve requirements for the bonds. Said annual rental shall be payable monthly to the department.

Contents of
leasing
agreement

30683. The lease agreement shall be set out in full in the resolution adopted by the authority authorizing the issuance of bonds, and the terms of the agreement as set out shall be binding upon the board, the city, the department, the authority, and the bondholders.

30684. In addition to any other rights he may have, the holder of any bond issued for the construction of the toll tube may by mandamus or other appropriate proceeding compel the performance of any of the duties imposed upon the board or the city, or any officers, agents, or employees of either, either by this article or by the lease agreement entered into pursuant to this article, in connection with the maintenance, operation, and insurance of the toll tube, with the collection of tolls and other charges from the operation and use of the toll tube, with the application of any funds pledged to make up any deficiency in toll revenues, and with the making of payments by the board to the department.

Compelling
board to
perform
duties

30685. The toll tube shall be operated, maintained, and insured against all risks by the board, and the cost thereof shall be paid out of any funds made available to the board for this purpose other than tolls or other revenues received by the board from the use and operation of the toll tube.

Insurance

30686. The board may arrange with the Board of Public Works of the city for cooperation between the two with respect to the operation or maintenance, or both, of the toll tube, but the board shall be primarily responsible for the operation and maintenance thereof.

Cooperation
with Board
of Public
Works

30687. The lease agreement shall contain a provision that the department, if it determines that the toll tube is not being operated or maintained, or both, in a satisfactory manner, may take over the operation or maintenance, or both, of the toll tube and charge the cost thereof to the board, which cost shall be paid by the board out of any funds made available to the board for this purpose other than tolls or other revenues received by the board from the use and operation of the toll tube. Whenever the department is satisfied thereafter that the board is equipped to perform the service taken over by the department, the department may relinquish the performance of that service to the board.

Assumption
of opera-
tion, etc
by depart-
ment

30688. The rates of toll or other charges for the use of the toll tube shall be fixed by the board, with the approval of the authority, at such rates so as to enable it to pay the rental to the authority as it becomes due and payable. The toll rates and other charges so fixed may be changed by the board, with the approval of the authority, from time to time as conditions warrant.

Rates and
charges

30689. Any revenues received by the board each month in excess of the amount of rental payable to the department shall be paid over to the department along with the monthly rental payment and shall be paid over by the department to the State Treasurer. Such excess revenues received by the department shall be deposited to the credit of a reserve fund established by the authority, in an amount determined in the bond resolution, for the payment of rental in any month in which revenues are insufficient for such purpose, and the balance, if any, shall be deposited to the credit of the sinking fund established by the authority for the bonds.

Revenues in
excess of
rental
payable

Pledge of
funds as
security

30690. In the lease agreement, the board may pledge, for the purpose of securing the payment of rental to the department as it becomes due and payable, any funds which it may legally pledge for such purpose. The funds so pledged shall be subject to the payment of rental only to the extent that the revenues received by the board from tolls and other charges are insufficient, together with amounts in the reserve fund established pursuant to Section 30689, to make the payment of rental as it becomes due and payable. Notwithstanding any provision of this article, the city shall not be required to levy any tax upon taxable property for the purpose of providing funds to make payments of rental under this article.

Retirement
of indebtedness

30691. Upon the retirement of all indebtedness incurred for the construction of the toll tube, the lease agreement shall terminate and the toll tube shall be transferred to the board and shall thereafter be maintained and operated free of tolls or the rate of tolls shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper operation, maintenance, and insurance of the toll tube under economical management.

CHAPTER 959

An act to amend Section 24465 of the Business and Professions Code, and to amend Section 32201 of the Revenue and Taxation Code, relating to the taxation of distilled spirits, to take effect immediately.

In effect
immediately

[Approved by Governor June 14, 1955. Filed with
Secretary of State June 14, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 24465 of the Business and Professions Code is amended to read:

Tax rates
on distilled
spirits

24465. (a) An excise tax is imposed upon all distilled spirits sold in this State by manufacturers, distilled spirits manufacturer's agents, brandy manufacturers, rectifiers, or wholesalers, or sellers of distilled spirits selling distilled spirits with respect to which no tax has been paid within areas over which the Federal Government exercises jurisdiction, at the following rates:

On all distilled spirits of proof strength or less, eighty cents (\$0.80) per wine gallon, and at a proportionate rate for any quantity, until July 1, 1955, and on and after July 1, 1955, one dollar and fifty cents (\$1.50) per wine gallon, and at a proportionate rate for any quantity.

All distilled spirits in excess of proof strength shall be taxed at double the above rate.

(b) For the privilege of possessing or selling distilled spirits of proof strength or less, as to the sale of which a tax not ex-

ceeding eighty cents (\$0.80) has been paid, every licensee under this division (other than a licensee obligated to pay a tax upon the sale thereof pursuant to subdivision (a) of this section) shall pay a tax of seventy cents (\$0.70) per wine gallon, and at a proportionate rate for any quantity, and shall pay a tax upon distilled spirits in excess of proof strength at double the above rate. The tax imposed by this subdivision shall also be paid by any person who possesses such distilled spirits for sale pursuant to Sections 23100 to 23105, inclusive, of this code. On or before August 15, 1955, each licensee or person subject to the tax imposed by this subdivision shall prepare and file with the board on forms prescribed by the board a return showing the amount of distilled spirits owned or possessed by him on July 1, 1955, that is subject to the tax imposed by this subdivision, and such other information as the board deems necessary for the proper administration of this division. The taxpayer shall deliver the return, together with a remittance of the amount of tax due, to the office of the board on or before such date.

All provisions, penalties and requirements in this division relating to excise taxes and provisions relative to payment of refunds, not inconsistent herewith, are applicable to the same force and extent with respect to the tax imposed under this subdivision.

SEC. 2. Section 32201 of the Revenue and Taxation Code is amended to read:

32201. (a) An excise tax is imposed upon all distilled ^{Same} spirits sold in this State or pursuant to Section 23384 of the Business and Professions Code by manufacturers, distilled spirits manufacturer's agents, brandy manufacturers, rectifiers, or wholesalers, or sellers of distilled spirits selling distilled spirits with respect to which no tax has been paid within areas over which the Federal Government exercises jurisdiction, at the following rates:

On all distilled spirits of proof strength or less, eighty cents (\$0.80) per wine gallon, and at a proportionate rate for any quantity, until July 1, 1955, and on and after July 1, 1955, one dollar and fifty cents (\$1.50) per wine gallon, and at a proportionate rate for any quantity.

All distilled spirits in excess of proof strength shall be taxed at double the above rate.

(b) For the privilege of possessing or selling distilled spirits of proof strength or less, as to the sale of which a tax not exceeding eighty cents (\$0.80) has been paid, every licensee under Division 9 of the Business and Professions Code (other than a licensee obligated to pay a tax upon the sale thereof pursuant to subdivision (a) of this section) shall pay a tax of seventy cents (\$0.70) per wine gallon, and at a proportionate rate for any quantity, and shall pay a tax upon distilled spirits in excess of proof strength at double the above rate. The tax imposed by this subdivision shall also be paid by any person who possesses such distilled spirits for sale pursuant to Sections

23100 to 23105, inclusive, of the Business and Professions Code. On or before August 15, 1955, each licensee or person subject to the tax imposed by this subdivision shall prepare and file with the board on forms prescribed by the board a return showing the amount of distilled spirits owned or possessed by him on July 1, 1955, that is subject to the tax imposed by this subdivision, and such other information as the board deems necessary for the proper administration of this part. The taxpayer shall deliver the return, together with a remittance of the amount of tax due, to the office of the board on or before such date.

All provisions, penalties and requirements in this part relating to excise taxes and provisions relative to payment of refunds, not inconsistent herewith, are applicable to the same force and extent with respect to the tax imposed under this subdivision.

Tax levy

SEC. 3. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

Effect
Stats 1955,
Ch 1842

SEC. 4. Section 2 of this act shall become operative only if Part 14, the Alcoholic Beverage Tax Law, is added to Division 2 of the Revenue and Taxation Code at the 1955 Regular Session of the Legislature, and in such case at the same time as said part takes effect, at which time Section 24465 of the Business and Professions Code, as amended by Section 1 of this act, is repealed.

CHAPTER 960

An act to add Article 4 to Chapter 2 of Division 17 of the Streets and Highways Code, relating to the financing and construction of additional toll bridges across Carquinez Straits, including the modification and improvement of the existing Carquinez Bridge and the construction of approaches to such bridges, declaring the urgency thereof and providing this act shall take effect immediately.

In effect
immediately

[Approved by Governor June 15, 1955 Filed with
Secretary of State June 15, 1955]

The people of the State of California do enact as follows:

SECTION 1. Article 4 is added to Chapter 2 of Division 17 of the Streets and Highways Code, to read:

Article 4. Bridges Across Carquinez Straits

30750. As used in this article:

Definitions

(a) "Existing bridge" means that certain bridge across the Carquinez Straits near Crockett, known as the Carquinez Bridge, together with any existing or new and additional approaches thereto necessary or desirable to connect with the

present State Highway Routes 7 and 14, or any realignment thereof, which approaches shall extend, constructed to freeway standards, to a point approximately four and one-half miles north of the north end of the bridge, which point is just north of the Greenfield Avenue intersection, and to a point approximately four miles south of the south end of the bridge, which point is just north of the intersection of Routes 14 and 106.

(b) "Additional Carquinez Bridge" means a new toll bridge across the Carquinez Straits near Crockett, to be located approximately parallel to and upstream from the existing bridge, together with all approaches thereto necessary or desirable to connect with the present State Highway Routes 7 and 14 or any realignment thereof, which approaches shall extend, constructed to freeway standards, to a point approximately four and one-half miles north of the north end of the bridge, which point is just north of the Greenfield Avenue intersection, and to a point approximately four miles south of the south end of the bridge, which point is just north of the intersection of Routes 14 and 106, and toll collection facilities to serve both the existing bridge and the additional toll bridge.

(c) "Benicia-Martinez Bridge" means a new toll bridge across Carquinez Straits and connecting, with suitable approaches constructed to freeway standards, the Cities of Benicia and Martinez, such approaches to include improvements southerly to a connection with Route 106 and northerly to a connection with Route 74, approximately one-half mile northwesterly from Second Street in the City of Benicia, and toll collection facilities for the bridge.

(d) "Authority" means the California Toll Bridge Authority.

(e) "Department" means the Department of Public Works of the State of California.

30751. The department is authorized to lay out, acquire and construct the additional Carquinez Bridge and the Benicia-Martinez Bridge as defined in this article, and to make such modification, improvement and reconstruction of the existing bridge as is necessary adequately to handle anticipated traffic and permit the collection of tolls. The existing bridge and the additional Carquinez Bridge may be operated as a single unit.

Bridges
across
Carquinez
Straits

30752. For the purpose of obtaining funds to carry out the provisions of this article, the authority is authorized to issue revenue bonds. Except as herein otherwise provided, the provisions of the California Toll Bridge Authority Act are hereby made applicable to such revenue bonds, and the authority and the department are authorized to do any and all things pursuant to law necessary to finance, construct and complete the bridges mentioned in this article and the improvement of the existing bridge. The authority may authorize the issuance of bonds in series in an amount estimated to be sufficient to complete the entire work authorized hereunder in successive stages, and may provide for the issuance and sale of sufficient revenue

Revenue
bonds
Applicable
laws

bonds to finance the construction of the additional Carquinez Bridge and the modification, improvement and reconstruction of the existing bridge as the initial stage of such work. The authority may insert in the bond indenture or resolution authorizing such bonds such conditions as it deems necessary upon the issuance and sale of the additional bonds necessary to finance the acquisition, construction and completion of the Benicia-Martinez Bridge. The revenues of each bridge need not be accounted for separately, but may be allocated as security for all of the bonds issued or to be issued hereunder as the authority may determine.

Tolls

30753. The authority is hereby authorized to reimpose tolls upon the existing bridge and to continue to collect tolls thereon for the purposes of this Article 4, the collection of said tolls to commence upon the date the additional Carquinez Bridge is opened to public traffic. The authority is likewise authorized to impose tolls upon the use of the additional Carquinez Bridge when it is opened to public traffic and the Benicia-Martinez Bridge when it is opened to public traffic. The authority may provide for the collection of tolls upon the existing bridge and the additional Carquinez Bridge under such rules and regulations as the authority deems necessary in order to operate both bridges as a single toll bridge. No tolls shall be charged for the use only of the approaches of any of such bridges as said approaches are defined in Section 30750. Subject to the limitations provided in this article, such tolls shall be used and applied as may be provided in a bond indenture or resolution of the authority authorizing the issuance of bonds for (a) the payment of principal and interest on said bonds; (b) the creation, establishment and maintenance of reserve and other funds for the protection or retirement of such bonds; (c) operation and insurance expenses, and (d) any other charges in connection with the construction, operation, insuring, and financing of said bridges and the improvement of the existing bridge as may be determined by the authority, including the establishment of rehabilitation and improvement funds for further rehabilitation and improvement of the bridges. Tolls shall continue to be collected upon the existing bridge, the additional Carquinez Bridge, and the Benicia-Martinez Bridge until all revenue bonds issued under this article have been fully paid and retired.

Payment of
operation
costs

30754. The cost of operation of the existing bridge, the additional Carquinez Bridge, and the Benicia-Martinez Bridge, including the cost of insurance against loss of tolls or other revenue therefrom shall be paid from the tolls and revenue received from the use and operation of said bridges. The cost of physical maintenance, including the cost of insurance of said bridges against all risks, shall be paid by the department out of funds available to it for the maintenance of state highways. The department shall provide all engineering services for the work authorized in this article and the cost thereof

shall be paid from funds available for the construction of state highways in Solano and Contra Costa Counties. The department shall proceed immediately with all necessary work, including but not limited to, plans, specifications, estimates of cost, traffic and financial studies for each of such bridges, to the end that each may be constructed as soon as funds can be made available from the proceeds of revenue bonds issued therefor.

30755. The bridges referred to in this article shall become toll free as soon as all bonds issued under this article are fully paid and retired. Toll free upon full payment

30756. While any revenue bonds issued pursuant to this article are outstanding, at such time as funds may be made available to the State of California from any federal interstate or main line highway system program in excess of federal allotments existing on January 1, 1955, the proportionate share of such funds which would have been allotted to the bridges mentioned in this article, or any of them, or the refund obtained because of the construction thereof, to the extent permitted by federal law, shall be credited to Solano and Contra Costa Counties in the proportions expended in each county (the cost of the bridges being evenly divided) for expenditure in accordance with law for construction on the state highways located in said counties. Additional federal or state grants

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

Traffic congestion is becoming more and more acute on the existing Carquinez Bridge and the portions of state highways leading to and from it, resulting not only in economic loss, but in hazards to traffic using the same; existing ferry accommodations between Benicia and Martinez are wholly inadequate; all resulting in a serious impediment to workers attempting to reach the military installations and defense industries in the areas affected. It is imperative that the bridges be constructed as soon as possible and this act shall therefore take effect immediately.

CHAPTER 961

An act to add Section 69590.5 to the Government Code, relating to the Superior Court of the County of Napa.

[Approved by Governor June 16, 1955. Filed with Secretary of State June 16, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 69590.5 is added to the Government Code, to read:

69590.5. In the the County of Napa there shall be two judges of the superior court.

CHAPTER 962

An act to amend Section 69588 of the Government Code, relating to the Superior Court of the County of Marin.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 69588 of the Government Code is amended to read:

69588. In the County of Marin there shall be three judges of the superior court.

CHAPTER 963

An act to amend Section 433 of the Education Code, relating to the compensation of public officers.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 433 of the Education Code is amended to read:

Yolo County
Superin-
tendent of
Schools
Salary

433. The annual salary of the county superintendent of schools of a county of the thirty-third class is seven thousand four hundred dollars (\$7,400) and he shall possess a valid general administrative credential issued by the State Board of Education.

CHAPTER 964

An act to add Sections 74351, 74352, 74353, and 74354 to the Government Code, relating to municipal courts.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 74351 is added to the Government Code, to read:

Compensa-
tion of
official
reporters

74351. Official reporters in such municipal courts, appointed pursuant to Section 72194, shall be attaches of the court and in lieu of any other compensation provided by law for their services in reporting testimony in felony criminal proceedings in the court, shall receive a monthly salary of five hundred dollars (\$500). The salary shall be a charge against the general fund of the county.

SEC. 2. Section 74352 is added to said code, to read:

74352. Pursuant to Section 72194, the judges of the court may appoint as many additional reporters as the business of the court requires. The additional reporters shall be known as official reporters pro tempore, and they shall serve without salary but shall receive the fees provided by Sections 69947 to 69953, inclusive, which shall upon order of the court be a charge against the general fund of the county. Additional reporters

SEC. 3. Section 74353 is added to said code, to read:

74353. As otherwise provided by law fees for transcription of testimony and proceedings in the court shall be paid by the litigants to official reporters and official reporters pro tempore. In all cases where by law the court may direct the payment of transcription fees out of the county treasury, such fees shall, upon order of the court, be paid from the general fund, including fees for transcription of testimony and proceedings in criminal cases as provided in Sections 69947 to 69953, inclusive, which shall be paid from the county treasury. Fees

SEC. 4. Section 74354 is added to said code, to read:

74354. Official reporters of such court shall be members of any retirement system which includes attaches of such court. For the purposes of such retirement system, the salary provided in Section 74351 for such reporters shall be deemed their entire compensation, except that where credit is claimed for service rendered prior to the establishment of such salary, the actual compensation paid to them by the county shall be the basis for contributions for such prior service, and continuous employment of such municipal court, or a court superseded by it, prior to membership in said retirement system, shall be considered as "prior service" therein upon the payment by such reporters of the sums due, if any, under said retirement system. Membership in retirement system

CHAPTER 965

An act to amend Section 101 of the Business and Professions Code, relating to the Department of Professional and Vocational Standards.

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 16, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 101 of the Business and Professions Code is amended to read:

101. The department is comprised of:

- (a) The Board of Dental Examiners of California.
- (b) The Board of Medical Examiners of the State of California.
- (c) The State Board of Optometry.
- (d) The California State Board of Pharmacy.

- (e) The Board of Examiners in Veterinary Medicine.
- (f) The State Board of Accountancy.
- (g) The California State Board of Architectural Examiners.
- (h) The State Board of Barber Examiners.
- (i) The State Board of Registration for Civil and Professional Engineers.
- (j) The Contractors' State License Board.
- (k) The State Board of Cosmetology.
- (l) The State Board of Funeral Directors and Embalmers.
- (m) The Structural Pest Control Board.
- (n) The Yacht and Ship Brokers Commission.
- (o) The Bureau of Furniture and Bedding Inspection.
- (p) The Board of Nurse Examiners of the State of California.
- (q) The State Board of Dry Cleaners.
- (r) The Board of Chiropractic Examiners.
- (s) The Board of Social Work Examiners of the State of California.
- (t) The State Athletic Commission.
- (u) The Cemetery Board.
- (v) The State Board of Guide Dogs for the Blind.
- (w) The Bureau of Private Investigators and Adjusters.
- (x) The Certified Shorthand Reporters Board.
- (y) The Board of Vocational Nurse Examiners of the State of California.
- (z) The California State Board of Landscape Architects.
- (aa) Any other boards, offices, or officers subject to its jurisdiction by law.

CHAPTER 966

An act to amend Section 73e of the Code of Civil Procedure, relating to sessions of the superior court in a judicial district where the juvenile hall is located.

In effect
September
7, 1955

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 16, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 73e of the Code of Civil Procedure is amended to read:

73e. Notwithstanding any other provisions of law, in each county wherein the juvenile hall is not located at the county seat of the county, a majority of the judges of the superior court in and for such county may by an order filed with the county clerk of such county direct that a session or sessions of the superior court, while sitting for the purpose of hearing and determining cases and proceedings arising under Chapter 2 of Part 1 of Division 2 or Chapter 2 of Part 1 of Division 6 or

Chapter 4 of Part 4 of Division 6 of the Welfare and Institutions Code, may be held or continued in any judicial district in the county in which the juvenile hall is located and thereafter such session or sessions of the superior court may be held or continued in the judicial district designated in such order. In a county having two superior court judges the senior judge may make the order.

CHAPTER 967

An act to add Section 751 to the Welfare and Institutions Code, relating to destruction of juvenile court records.

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 16, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 751 is added to the Welfare and Institutions Code, to read:

751. After five years from the date on which the jurisdiction of the juvenile court over a ward of the court is terminated, the judge or clerk of the juvenile court, or the probation officer, may destroy all records, papers, and exhibits in the proceedings concerning the ward. For the purposes of this section "destroy" means destroy or dispose of for the purpose of destruction.

The juvenile court record, any minute book entries, dockets, and judgment dockets shall not be destroyed and shall constitute for all purposes the record in lieu of the records, papers, and exhibits destroyed.

CHAPTER 968

An act to add Section 13680 to the Education Code, relating to certificated employees of school districts.

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 16, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13680 is added to the Education Code, to read:

13680. When any school or other place of employment shall have been transferred from one district to another, any certificated employees who transfer with said school or other place of employment shall be entitled to retain all sickness and injury, sabbatical and other leave rights accumulated by service prior to such transfer and the district to which such school or other place of employment has been transferred shall recog-

nize or grant such rights, including any accumulated rights allowed by the governing board of the district from which the school or other place of employment was transferred, as fully as if there had been no change in the district maintaining such school or other place of employment.

CHAPTER 969

An act to add Sections 73649, 73959 and 74749 to the Government Code, relating to the payment of official reporters in the municipal courts in San Diego County.

In effect
September
7, 1955

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 16, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 73649 is added to the Government Code, to read:

Compensa-
tion of
municipal
court
reporters
El Cajon
Township

73649. The judge of the court may appoint one official reporter pursuant to Section 72194 who shall be an attache of the court and in lieu of any other compensation provided by law for his services in reporting testimony in felony criminal proceedings in the court, shall receive a monthly salary of one hundred seventy-five dollars (\$175). The salary shall be a charge against the general fund of the county. For transcribing and for reporting proceedings other than felony criminal proceedings, the official reporter shall receive the fees provided by Sections 69947 to 69953, inclusive, which shall upon order of the court be a charge against the general fund of the county. Pursuant to Section 72194, the judge of the court may appoint as many additional reporters as the business of the court requires. The additional reporters shall be known as official reporters pro tempore and they shall serve without salary but shall receive the fees provided by Sections 69947 to 69953, inclusive, which shall upon order of the court be a charge against the general fund of the county. An official reporter or an official reporter pro tempore may be appointed to serve as such reporter in more than one municipal court in the County of San Diego.

SEC. 2. Section 73959 is added to said code, to read:

Oceanside

73959. The judge of the court may appoint one official reporter pursuant to Section 72194 who shall be an attache of the court and in lieu of any other compensation provided by law for his services in reporting testimony in felony criminal proceedings in the court, shall receive a monthly salary of one hundred seventy-five dollars (\$175). The salary shall be a charge against the general fund of the county. For transcribing and for reporting proceedings other than felony criminal proceedings, the official reporter shall receive the fees provided by Sections 69947 to 69953, inclusive, which shall upon order of the court be a charge against the general fund of

the county. Pursuant to Section 72194, the judge of the court may appoint as many additional reporters as the business of the court requires. The additional reporters shall be known as official reporters pro tempore and they shall serve without salary but shall receive the fees provided by Sections 69947 to 69953, inclusive, which shall upon order of the court be a charge against the general fund of the county. An official reporter or an official reporter pro tempore may be appointed to serve as such reporter in more than one municipal court in the County of San Diego.

SEC. 3. Section 74749 is added to said code, to read:

74749. The judge of the court may appoint one official South Bay reporter pursuant to Section 72194 who shall be an attache of the court and in lieu of any other compensation provided by law for his services in reporting testimony in felony criminal proceedings in the court, shall receive a monthly salary of one hundred seventy-five dollars (\$175). The salary shall be a charge against the general fund of the county. For transcribing and for reporting proceedings other than felony criminal proceedings, the official reporter shall receive the fees provided by Sections 69947 to 69953, inclusive, which shall upon order of the court be a charge against the general fund of the county. Pursuant to Section 72194, the judge of the court may appoint as many additional reporters as the business of the court requires. The additional reporters shall be known as official reporters pro tempore and they shall serve without salary but shall receive the fees provided by Sections 69947 to 69953, inclusive, which shall upon order of the court be a charge against the general fund of the county. An official reporter or an official reporter pro tempore may be appointed to serve as such reporter in more than one municipal court in the County of San Diego.

CHAPTER 970

An act to amend Sections 70048 and 70057 of the Government Code, relating to filing fees and salaries of court reporters in counties with a population of 500,000 and under 700,000.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 70048 of the Government Code is amended to read:

70048. In a county with a population of 500,000 and under Alameda
County court
reporters
Salary 700,000, the salary of the regular official phonographic reporters shall be eight thousand dollars (\$8,000) annually, and the compensation of official phonographic reporters pro tem-

pore shall be at the rate of twenty-seven dollars and fifty cents (\$27.50) a day.

Fee SEC. 2. Section 70057 of said code is amended to read:

70057. In a county with a population of 500,000 and under 700,000, the fee required by Section 70053 shall be six dollars and fifty cents (\$6.50).

CHAPTER 971

An act to amend Section 1102 of the Code of Civil Procedure, relating to the writ of prohibition.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1102 of the Code of Civil Procedure is amended to read:

1102. The writ of prohibition arrests the proceedings of any tribunal, corporation, board, or person exercising judicial functions, when such proceedings are without or in excess of the jurisdiction of such tribunal, corporation, board, or person.

CHAPTER 972

An act to amend Section 3371 of the Financial Code, relating to loans to directors.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 3371 of the Financial Code is amended to read:

3371. A bank shall not make any loan to a director of the bank, directly or indirectly, or to any corporation of which such director is a stockholder, officer, or employee or to any partnership of which such director is a partner or on the endorsement, surety, or guaranty of such director unless:

(a) The loan is secured by obligations of the United States or for the payment of which the faith and credit of the United States are pledged, obligations of the State of California or for the payment of which the faith and credit of the State of California are pledged, or bonds of any city, county, city and county, metropolitan water district, or school district of the State of California; or

(b) The loan is to a corporation of which such director is a stockholder, officer, or director and such director does not own more than 10 percent of the capital stock of the corpora-

tion and no two or more officers or directors of the bank together own more than 20 percent of the capital stock of the corporation; or

(c) The loan is authorized or is confirmed within 40 days after the same is made by a majority of all of the directors of the bank and the affirmative vote of all directors of the bank present at the meeting authorizing or confirming the loan other than the interested director who shall not vote or participate in any manner in the action of the board authorizing or confirming the loan, except that with the consent of the superintendent previously obtained in writing all directors may vote on such a loan made to any corporation or bank where all of the outstanding shares of stock of one are owned by or held in trust for the owners of not less than 90 percent of the outstanding shares of stock of the other and where all or a majority of the directors of the borrowing corporation or bank are directors of the loaning bank.

CHAPTER 973

An act to add Section 21151 to the Government Code, relating to the employment by certain contracting agencies of retired members to render services of a professional, scientific, or technical nature in connection with litigation.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 16, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 21151 is added to the Government Code, to read:

21151. A contracting agency furnishing a public water supply from the Colorado River may employ a person receiving a retirement allowance under this system who has special knowledge, experience and qualifications with reference to problems incident to providing such water supply from said Colorado River, to render services of a professional, scientific, or technical nature, in connection with litigation or prospective litigation involving such contracting agency, and may pay such person for services so rendered, pursuant to written contract setting forth the terms and duties of such employment. Any person who renders such services shall not be deemed to be an employee of the contracting agency for the purposes of the State Employees' Retirement Law, nor shall he acquire any additional rights or benefits thereunder because of such employment.

The monthly amount of such person's pension for any calendar month during which he rendered services to such contracting agency pursuant to such contract of employment, shall be reduced by the amount of the compensation so paid

to him by such contracting agency for the services so rendered during said month, but such compensation so paid to such person shall not reduce the amount of such person's pension for any month or for any period other than the calendar month during which he rendered the services for which such compensation was paid to him by such contracting agency. If the compensation so paid for such services rendered during any calendar month shall exceed the amount of the monthly pension accrued for such month, no pension for such month shall be payable. The controller, auditor, or corresponding officer of the contracting agency shall furnish to the board of administration all information necessary to carry out the provisions of this section.

The board of administration, promptly after receiving notification of any payment of compensation by a contracting agency for such services, shall make the proper entries in the pension account of such person and shall adjust the pension payments accordingly, and if necessary shall require refund of any overpayment of pension.

This section shall be effective notwithstanding the provisions of Section 20060 of this code or any other provision of law.

CHAPTER 974

An act to amend Section 6 of the Metropolitan Water District Act, relating to the government and management of metropolitan water districts.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 16, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6 of the Metropolitan Water District Act is amended to read:

Board of
directors
Functions,
personnel,
etc

Sec. 6. All powers, privileges and duties vested in or imposed upon any district incorporated hereunder shall be exercised and performed by and through a board of directors; provided, however, that the exercise of any and all executive, administrative and ministerial powers may be by said board of directors delegated and redelegated to any of the offices created hereby or by the board of directors acting hereunder.

The board of directors herein referred to shall consist of at least one representative from each municipality, the area of which shall lie within the metropolitan water district. Such representatives shall serve without compensation from the district and shall be designated and appointed by the chief executive officers of municipalities, respectively, with the consent and approval of the governing bodies of the municipalities, respectively. As a member of the board of directors, each representa-

tive shall be entitled to vote on all questions, orders, resolutions and ordinances coming before the board, and shall be entitled to cast one vote for each ten million dollars (\$10,000,000), or major fractional part thereof, of assessed valuation of property taxable for district purposes in the city represented by him as shown by the assessment records of the county and evidenced by the certificate of the county auditor; provided, that each representative shall have at least one vote and no municipality shall have votes exceeding in number the total number of votes of all the other municipalities whose corporate areas are included in such district. In lieu of one representative any city may at its option designate and appoint several representatives not exceeding one additional representative for each five hundred million dollars (\$500,000,000) of assessed valuation, but such representatives shall cast the vote to which such city would otherwise be entitled as a unit and as a majority of such representatives present shall determine; provided, that no incumbent representative shall be deprived of his office by reason of increase in the amount of assessed valuation required to authorize designation and appointment of additional representatives nor by reason of any decrease in assessed valuation of the municipality which he represents occurring after his assumption of office. The affirmative votes of members representing more than fifty (50) percent of the total number of votes of all the members shall be necessary and, except as otherwise herein provided, shall be sufficient to carry any order, resolution or ordinance coming before the board of directors. Any meeting may be adjourned or recessed from day to day or from time to time, by vote of the director or directors present, irrespective of the number of directors present or the number of votes represented at such meeting. For the purposes of this section, the term "major fractional part" shall be deemed to mean a fractional part larger than one-half. Members of the board of directors so constituted shall convene at the time and place fixed by the chief executive officer of the municipality initiating the proceedings hereunder, and immediately upon convening, such board of directors shall elect from its membership a chairman, a vice chairman, and a secretary, who shall serve for a period of two years, or until their respective successors shall be elected and qualified.

The board of directors shall have power:

Powers

(1) To fix the time and place or places at which its regular meetings shall be held, and shall provide for the calling and holding of special meetings.

Meetings

(2) To make and pass ordinances, resolutions and orders not repugnant to the Constitution of the United States or of the State of California, or to the provisions of this act, necessary for the government and management of the affairs of the district, for the execution of the powers vested in the district and for carrying into effect the provisions of this act. On all ordinances the roll shall be called and the ayes and noes recorded. Resolutions and orders may be adopted by viva voce, but on

Ordinances
etc.

demand of any member the roll shall be called. No ordinance shall be adopted unless it shall have been introduced on a day previous to the time of such adoption except by unanimous vote of all the members of the board of directors present; provided, there shall be present directors from not less than three-fourths of all cities whose corporate areas are included in said metropolitan water district and representing not less than three-fourths of the total votes of said district; provided, that in lieu of such previous introduction or unanimous vote any ordinance may be mailed by registered mail, postage prepaid, to each member of the board of directors at least five (5) days prior to the day upon which such ordinance shall be presented for adoption. No ordinance adopted by the board of directors shall take effect until the expiration of thirty (30) days following the adoption thereof, except an ordinance ordering or otherwise relating to an election or to the issuance or sale of bonds or to the levying or collection of taxes or the fixing of water rates; and an ordinance necessary for the immediate preservation or protection of the property, interests or welfare of the district, which shall contain a specific statement showing its urgency, and is passed by three-fourths of the total vote of the board of directors but all ordinances of any of the classes heretofore excepted by this section shall take effect upon their adoption. All ordinances except those which shall take effect upon their adoption as provided in this section shall be subject to referendum in the manner provided by law for the legislative acts of boards of supervisors of counties.

Principal
place of
business

(3) To fix the location of the principal place of business of the district and the location of all offices and departments maintained hereunder.

Business
administra-
tion, etc.

(4) To prescribe by ordinance a system of business administration and to create any and all necessary offices which shall include the offices of controller and of treasurer and to establish and re-establish the powers and duties and compensation of all officers and employees and to require and fix the amount of all official bonds necessary for the protection of the funds and property of the district.

Civil
service
Delegation
of powers

(5) To prescribe by ordinance a system of civil service.

(6) To delegate and redelegate by ordinance to officers of the district power to employ clerical, legal and engineering assistants and labor, and under such conditions and restrictions as shall be fixed by the directors, power to bind the district by contract.

Claims,
contracts,
etc

(7) To prescribe a method of auditing and allowing or rejecting claims and demands; also to prescribe methods for the construction of works and for the letting of contracts for the construction of works, structures or equipment, or the performance or furnishing of labor, materials or supplies, required for the carrying out of any of the purposes of this act; provided that, in cases where work is not to be done by the district itself by force account, and the amount involved shall be ten

thousand dollars (\$10,000), or more, the board of directors shall provide for the letting of contracts to the lowest responsible bidder, after publication of notices inviting bids, subject to the right of said board to reject any and all proposals; provided, likewise, that the board of directors in advertising for bids and in letting contracts as above provided, may require all articles to be furnished to the district thereunder to be manufactured, produced or fabricated in the United States or its territories, and may prohibit the use in, or employment in connection with, the carrying out of such contracts by the contractor or any subcontractor, of all machinery or materials except such as shall have been manufactured, produced or fabricated in the United States or its territories, if such are available, the question of such availability to be determined by the board of directors; provided further, that contracts, in writing or otherwise, may be let without advertising for or inviting bids, when any repairs, alterations, or other work, or the purchase of materials, supplies, equipment or other property, shall be deemed by the board of directors to be of urgent necessity, and shall be authorized by a two-thirds vote thereof.

(8) To fix the rates at which water shall be sold; provided, ^{Water rates} however, that rates shall be uniform for like classes of service throughout the district.

CHAPTER 975

An act to amend Section 32311 of the Health and Safety Code, relating to the sale of bonds by hospital districts.

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 16, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 32311 of the Health and Safety Code is amended to read:

32311. At the time appointed, the board of directors shall open the proposals, and may sell the bonds or any portion thereof to the highest responsible bidder or bidders. Any and all bids may be rejected and no proposal shall be accepted unless accompanied by a certified or cashier's check for such reasonable percentage of the amount of the bid as shall be determined by the board of directors, to apply to the purchase price of the bonds. The amount of such check shall be forfeited if, after the acceptance of the proposal the bidder refuses to accept the bonds and to complete his purchase thereof on conditions stated in his bid. In case no award is made the board of directors thereafter may again advertise the bonds or any part thereof for sale.

CHAPTER 976

An act to amend Section 14101 of the Government Code, relating to public works.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14101 of the Government Code is amended to read:

14101. The department shall contract with qualified architects and engineers for the performance of work when it is determined by the Director of Public Works, with the approval of the Director of Finance, that the obtainable staff is unable to perform the particular work within the time the public interest requires such work to be done.

CHAPTER 977

An act to amend Sections 470, 471, and 472 of the Fish and Game Code, relating to the licensing of guides.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 470 of the Fish and Game Code is amended to read:

"Guide"

470. As used in this chapter "guide" means any person who is engaged in the business of packing or guiding, and who for compensation assists another person in hunting or fishing and includes any person who transports other persons or their equipment or both to hunting or fishing areas, irrespective of whether or not the latter persons determine the destination or course of travel or both.

Sec. 2. Section 471 of said code is amended to read:

Guide
license

471. It shall be unlawful for any person to be engaged in the business of guiding or packing, as the terms are commonly understood for any consideration or compensation whatever, without first having secured a guide license from the Department of Fish and Game. An employee of a licensee who acts as a guide or packer only in connection with his employment need not have a guide license. Each licensee shall be responsible for all acts or omissions of his employees when acting within the scope of their employment.

Application

Any person who desires a license as a guide shall make application for such license on a form to be prescribed and furnished on request by the department. The application shall show all of the following:

(a) The name, age, and address of the applicant.

(b) The area or areas of the State in which he proposes to operate.

(c) The type or types of guiding or packing he proposes to engage in.

(d) The experience which he considers as qualifying him for the type or types of guiding or packing he proposes to conduct.

(e) The nature and amount of the equipment, vehicles, animals, and other property he proposes to use in his operations as a licensee.

(f) Such other information and matters as the department may require.

If the applicant proposes to furnish transportation the application shall show the location of the headquarters from which the applicant proposes to operate.

If the licensee is to operate with pack or riding animals in any area in which a grazing permit is required, the license shall not be valid unless the holder thereof has a valid grazing permit for the area.

The provisions of Section 13.3 relating to licenses shall apply to licenses issued under this chapter.

The license fee shall be ten dollars (\$10) and the license ^{Fee} shall be valid for the fiscal year in which issued or, if issued after the beginning of a fiscal year, for the remainder thereof.

SEC. 3. Section 472 of said code is amended to read:

472. When any person licensed under this chapter, shall ^{Revocation of license} be adjudged guilty by a court of competent jurisdiction of violating or permitting the violation of any fish and game law of this State, in addition to any fine or other punishment imposed, the court may revoke his guide license.

Any person who obtains another guide license within two ^{Penalty} years after his guide license has been revoked, or forfeited, is guilty of a misdemeanor, and is punishable by a fine of not less than one hundred dollars (\$100) or by imprisonment in the county jail for not less than 10 days, or both fine and imprisonment.

CHAPTER 978

An act to amend Section 28134 of the Government Code, relating to compensation for public service in counties of the thirty-fourth class.

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28134 of the Government Code is amended to read:

28134. In a county of the thirty-fourth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following ^{County of Madera officers Salaries} sums:

(a) The auditor, seven thousand five hundred dollars (\$7,500) a year.

(b) The district attorney, seven thousand five hundred dollars (\$7,500) a year.

(c) The chairman of the board of supervisors, for all services required of him as chairman, four thousand two hundred dollars (\$4,200) a year. Each other supervisor, for all services required of him as supervisor, three thousand six hundred dollars (\$3,600) a year. He shall also receive the following mileage and traveling expenses: when using a privately owned automobile, eight cents (\$0.08) for each mile actually traveled each way: (1) in going to and from his residence to the courthouse in attending each day's session of the regular and special meetings of the board of supervisors and in attending each day's session of the meetings of the board of supervisors when the board convenes as a board of equalization, and (2) in the county in the performance of his duties as supervisor and as a member of the county board of equalization. When traveling in a privately owned automobile each member of the board of supervisors shall also be allowed mileage at the rate of eight cents (\$0.08) a mile or railroad or bus fare, together with other traveling expenses incurred in traveling to and from places outside of the county when he is on county business authorized by the board of supervisors.

(d) For attending as a juror in the superior court or in the justice courts, each juror shall be paid three dollars (\$3) for each day's attendance upon the court and eight cents (\$0.08) a mile for each mile actually traveled each way in attending each day's session of the court

For serving as a grand juror, each grand juror shall be paid six dollars (\$6) for each day's attendance upon the duly called sessions of the grand jury and the meetings of committees appointed by the foreman of the grand jury and for each day's service when authorized in writing by the foreman to make individual investigations. When using a privately owned automobile, each grand juror shall also be allowed eight cents (\$0.08) a mile for each mile actually traveled by him each way in attending each day's sessions of the grand jury and meetings of committees appointed by the foreman of the grand jury and when making individual investigations upon being authorized in writing to make such investigations by the foreman.

The fees and traveling expenses shall be paid out of the general fund of the county upon warrants drawn by the county auditor upon the written order of the judge of the superior court in the case of grand jurors and jurors attending the superior court, and upon written order of the judge of the court in which the juror was in attendance in the case of jurors attending the justice courts.

The compensation provided by this section shall be paid to incumbent officers.

CHAPTER 979

An act relating to the sale, exchange, other disposition, or administration of state property, and providing for the disposition of the proceeds from such sale or exchange and for accomplishing the purposes of this act.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The Director of Finance is hereby authorized to sell, exchange or otherwise dispose of, for value, and upon such terms and conditions and with such reservations and exceptions, as in his opinion may be for the best interests of the State, the following real property:

Sale of
certain state
properties
by Director
of Finance

Parcel 1. Newhall Highway Patrol Office, being a portion of Lot 39 in St. John's Subdivision, Rancho San Francisco, County of Los Angeles, State of California, consisting of approximately one acre. Proceeds from the sale of this property shall be paid into the Motor Vehicle Fund.

Parcel 2. Redding Highway Patrol Office, being a portion of Section 15 of P. B. Reading Grant in the County of Shasta, State of California, consisting of approximately .23 acre. Proceeds from the sale of this property shall be paid into the Motor Vehicle Fund.

Parcel 3. Sacramento County Squad Office, California Highway Patrol, comprising a portion of Lot 147 in Wright and Kimbrough Tract No. 9, a portion of Lot 309 and all of Lot 312 in Wright and Kimbrough Addition No. 14, in the City of Sacramento, County of Sacramento, State of California.

Parcel 4. Approximately 480 acres of land in Sections 5, 6, 7 and 8, Township 22 South, Range 28 East, M. D. B. & M., located in the southeasterly portion of the property known as the Porterville State Hospital, County of Tulare, State of California.

Parcel 5. Approximately 47 acres of land in Section 7, Township 22 South, Range 28 East, M. D. B. & M., located in the southwesterly portion of the property known as the Porterville State Hospital, County of Tulare, State of California.

Parcel 6. Approximately 34 acres of land in Section 6, Township 22 South, Range 28 East, M. D. B. & M., located in the northwesterly portion of the property known as the Porterville State Hospital, County of Tulare, State of California.

Parcel 7. Approximately 4.2 acres of land in Section 17, Township 3 South, Range 11 West, S. B. B. & M., located in the southeasterly portion of the property known as Metropolitan State Hospital, County of Los Angeles, State of California.

Parcel 8. Alturas Office, Department of Fish and Game, comprising approximately five acres of land in the northwest

quarter of the southeast quarter of Section 12, Township 42 North, Range 12 East, M. D. B. & M., County of Modoc, State of California.

Proceeds from the sale of this property shall be paid into the Fish and Game Preservation Fund.

Parcel 9. Former headquarters of Madeline Plains Waterfowl Management Area, Department of Fish and Game, being all of Lots 9 and 10 in Block C in the Town of Madeline, County of Lassen, State of California, containing approximately .4 acre.

Proceeds from the sale of this property shall be paid into the Fish and Game Preservation Fund.

Parcel 11. Burial lots Nos. 252 to 265 inclusive, and Nos. 294 to 309 inclusive, located in Myrtle Lawn Section of Whittier Heights Memorial Park near the City of Whittier, County of Los Angeles, State of California.

Parcel 12. The east one-half of Lot 11 and all of Lot 10 Block I, in Whittier Cemetery, City of Whittier, County of Los Angeles, State of California.

Parcel 13. Property known as Vulcan Island located in the Stockton Deep Water Channel Project of the San Joaquin River, comprising approximately 20 acres, and being a portion of Sections 26 and 27, Township 2 North, Range 5 East, M. D. B. & M., County of San Joaquin, State of California.

Parcel 14. Property known as Walters Island located in the Stockton Deep Water Channel Project of the San Joaquin River, comprising approximately 15 acres, and being a portion of Section 28, Township 2 North, Range 5 East, M. D. B. & M., County of San Joaquin, State of California.

Parcel 15. Raymond Suppression Camp, Division of Forestry, Department of Natural Resources, located in Section 10, Township 8 South, Range 19 East, M. D. B. & M., County of Madera, State of California, containing approximately 2.43 acres.

Parcel 16. Approximately 1.26 acres of land in Section 9, Township 6 North, Range 12 East, M. D. B. & M., County of Amador, State of California, being a portion of the property known as Mt. Zion Lookout, Division of Forestry, Department of Natural Resources.

Parcel 17. That certain parcel of property known as the Reynolds Ranch, said property now being a part of the facilities of the Sonoma State Hospital.

Parcel 18. Approximately two acres of land in the northwest quarter of the northwest quarter of Section 17, Township 3 South, Range 11 West, S. B. B. & M., in the county of Los Angeles, State of California, being a portion of the property known as the Metropolitan State Hospital.

Parcel 19. Lots 20, 29, and 30 in Section 14, Township 2 South, Range 8 West, City of Chino, County of San Bernardino, State of California.

With respect to the real property contained in this parcel, in lieu of disposing of the property, the Director of Finance is authorized to enter into leases or lease purchase agreements with nonprofit corporations not to exceed 20 years for the use of the property as a community recreation center, junior fair, park, or for other general community uses.

Parcel 20. San Gabriel Fish Hatchery Site, containing approximately 2.8 acres being a portion of Lot 110, Tract 621, County of Los Angeles, State of California.

Proceeds from the sale of this property shall be paid into the Wildlife Restoration Fund.

Disposition
of proceeds

SEC. 2. The Director of Finance, with the consent of the Director of Education, is hereby authorized to exchange, upon such terms and conditions and with such reservations and exceptions as in his opinion may be for the best interests of the State, a portion of the site in the San Fernando Valley of the Los Angeles State College of Applied Arts and Sciences, for property described as all of Lots 116 to 125 inclusive, in Tract 2334, City of Los Angeles, County of Los Angeles, State of California; said Lots 116 to 125 inclusive being owned by the Los Angeles City School District. The school district is authorized to take any action necessary to accomplish the exchange.

Exchange of
portion
of Los
Angeles
State Col-
lege site

SEC. 3. The Director of Finance is hereby authorized to transfer control and possession of the hereinafter described real property to the Department of Fish and Game for use of the Yountville Game Farm, upon such terms and conditions and with such reservations and exceptions as in his opinion may be for the best interest of the State. Said real property, being a part of the Napa State Farm, is in the County of Napa, State of California, and is particularly described as follows:

Transfer of
property for
Yountville
Game
Farm use

Starting at the southeast corner of the property known as Tract No. 1, which point is distant 3699.2 feet, S. 18° 14' E. of the NW. corner of Sec. 19, T. 7 N., R. 4 W., M. D. B. & M.; thence, N. 16° 40' W., a distance of 620.00 feet along the westerly line of Silverado Trail to the true point of beginning; thence, S. 62° 04' W., a distance of 1162.00 feet; thence S. 57° 04' W., a distance of 750.00 feet, thence, N. 27° 56' W., a distance of 165.27 feet, thence N. 62° 04' E., a distance of 1929.06 feet to the westerly line of Silverado Trail; thence, S. 16° 40' E., a distance of 101.97 feet along said westerly line to the point of beginning; and containing 5.06 acres more or less.

SEC. 4. Any costs or expenses necessarily incurred in the sale or other disposition of any parcel herein referred to shall be reimbursed from the proceeds of such sale or disposition.

Expenses

SEC. 5. A copy of each deed of conveyance executed and delivered by the Director of Finance pursuant to this act shall be delivered to the State Lands Commission.

Copy of
deeds

CHAPTER 980

An act to add Section 13554 to the Government Code and amend Section 13661 of the Government Code, relating to the distribution of state publications, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 17, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 13554 is added to the Government Code, to read:

Printing
charges

13554. Charges for printing publications, including legislative printing, shall include the cost of printing and distributing copies thereof to libraries as required by Section 13661 and also the cost of preparing, printing, and distributing the lists of publications required by Section 13667.

SEC. 2. Section 13661 of said code is amended to read:

Distribution,
etc., of
printed
material

13661. To the end that the policy specified in Section 13660 may be effectively carried out, the State Printer shall print one hundred seventy-five (175) copies of each state publication for deposit in a "library stock room" (to be maintained by the State Printer for that purpose) for distribution to libraries as hereinafter provided, except that of legislative bills, journals, and histories, only fifty (50) copies shall be printed for such deposit and distribution, and of publications not printed by the State Printer, the department, commission or other agency concerned shall print fifty (50) copies for such distribution. An additional two (2) copies of each state publication as selected by the State Archivist shall be printed and delivered to the State Archivist by the State Printer or the department, commission, or other agency concerned, and all remaining copies in excess of two (2) copies heretofore received shall be distributed to interested parties without charge or destroyed. The cost of printing, publishing, and distributing such copies shall be fixed and charged pursuant to Section 13551. Additional amounts shall be charged by the State Printer to cover the cost of preparing, printing, and distributing the lists of publications required by Section 13667.

Operative
and termina-
tion dates

SEC. 3. Section 13554 of the Government Code shall become operative on July 1, 1955, and shall become inoperative on July 1, 1957 and thereafter shall have no force or effect.

Urgency

SEC. 4. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The allocation of charges for the cost of printing vitally affects the fiscal management of the Division of Printing. As

any changes in the inter-agency accounting of state agencies must be consistent with the budgetary allotments of the agencies, which become operative for the fiscal year beginning July 1, 1955, it is necessary that this bill take effect immediately.

CHAPTER 981

An act to amend Section 18006 of the Government Code, relating to moving expenses of state officers and employees, declaring the urgency thereof to take effect immediately.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. Section 18006 of the Government Code is amended to read:

18006. Notwithstanding the provisions of Section 11030, whenever a state officer or employee is required by the appointing power because of a change in assignment, promotion or other reason related to his duties to change his place of residence, such officer, agent or employee shall receive his actual and necessary moving, traveling, lodging and meal expense, incurred by him both before and after and by reason of such change of residence. The maximum allowances for such expenses shall be as follows: The costs of packing, transporting, and unpacking 8,000 pounds of household effects, traveling, lodging, and meal expenses for 30 days while locating a permanent residence, storage of household effects for 30 days, and additional miscellaneous allowances not in excess of one hundred dollars (\$100). The maximum allowances may be exceeded in those particular instances where the Director of Finance determines in advance that the change of residence will result in unusual and unavoidable hardship for the officer or employee, and in such cases the Director of Finance shall determine the maximum allowances to be received by said officer or employee. The Board of Control may adopt general rules and regulations covering the payment of such expenses. The provisions of this section shall not apply to those changes of residence which are made at the request of the officer or employee and primarily for his convenience.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of Section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting the urgency is as follows:

There is an ambiguity in the existing law as to the authority to pay state officers and employees traveling, lodging and meal

expenses when they are required to change their place of residence because of a change in assignment, promotion or other reason, and such authority has been questioned. Failure to continue to pay such traveling, lodging and meal expenses could result in serious hardship on employees assigned to duties involving such a change of residence for the benefit of the State. As a result thereof, the availability of personnel for transfer will be greatly curtailed and the morale of state employees and recruitment of new state employees will be affected. The orderly process of state business would be interrupted. It is, therefore, necessary that this act take effect immediately.

CHAPTER 982

An act to add Section 11013 to the Government Code, relating to state institutions.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11013 is added to the Government Code, to read:

11013. The director of any state department, subject to approval of the Department of Finance, may establish and maintain, or by contract or otherwise cause to be established and maintained by any person or organization, at any institution under the jurisdiction of such department, a store or canteen for the sale to, or for the benefit of, inmates, patients and other persons entitled to institutional services, or employees of such institution, of candies, tobacco products, packaged food, nonalcoholic beverages and other articles. Such stores or canteens shall be conducted subject to rules and regulations of the department and rental, utilities and service charges shall be fixed and collected from such stores or canteens in an amount sufficient to reimburse the institution for its costs in connection with such store or canteen. The store or canteen when conducted by the institution or under the direction of the superintendent thereof, shall be operated on a nonprofit basis. Any profit derived by the institution from any store or canteen shall be deposited for the use and benefit of said inmates, patients or persons entitled to institutional services.

This section shall not apply to any institution at which a store or canteen is authorized to be established under existing law.

CHAPTER 983

An act to amend Section 28122 of the Government Code, relating to compensation for public services in counties of the twenty-second class.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28122 of the Government Code is amended to read:

28122. In a county of the twenty-second class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums: Marin County officers Salaries

(a) The auditor, ten thousand dollars (\$10,000) a year.

(b) The district attorney, twelve thousand five hundred dollars (\$12,500) a year.

He shall devote his entire time to the duties of his office and shall not engage in private law practice during his term of office.

(c) Each supervisor, four hundred dollars (\$400) a month and eight cents (\$.08) for each mile necessarily and actually traveled in attending meetings of the board or in the discharge of county business within the county.

Each supervisor shall be allowed his actual and necessary expenses incurred while traveling to and from the annual convention of the supervisor's association, not to exceed fifty dollars (\$50) for each in any one year.

(d) Grand and trial jurors, five dollars (\$5) per day.

The compensation provided for by this section shall be payable to incumbent officers.

SEC. 2. If it is not legally competent to pay the compensation provided by this act to incumbent officers on the effective date of this act, such increase in compensation shall, nevertheless, be payable to the officers designated in this act as soon as it is legally competent to do so.

CHAPTER 984

An act to amend Section 3016 of the Business and Professions Code, relating to the practice of optometry.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3016 of the Business and Professions Code is amended to read:

State Board
of Optom-
etry Com-
pensation

3016. Each member shall receive a per diem of twenty-five dollars (\$25) for each day actually spent in the performance of his duties as a member and, in addition, his necessary expenses.

Per diems shall not exceed one for any calendar day.

With the approval of the Director of Finance, the board may fix the salary of the secretary who shall also be entitled to his traveling and other necessary expenses.

CHAPTER 985

An act to amend Section 68841 of the Government Code, relating to the Clerk of the Supreme Court.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 68841 of the Government Code is amended to read:

68841. The annual salary of the Clerk of the Supreme Court and ex officio Secretary of the Judicial Council is fifteen thousand dollars (\$15,000).

CHAPTER 986

An act to amend Section 441 of the Education Code, relating to the county superintendent of schools of a county of the forty-first class.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 441 of the Education Code is amended to read:

Lassen
County Su-
perintendent
of Schools
Salary

441. The annual salary of the county superintendent of schools of a county of the forty-first class is six thousand five hundred dollars (\$6,500), and he shall possess a valid elementary or secondary administrative credential issued by the State Board of Education.

CHAPTER 987

An act to amend Section 451 of the Education Code, relating to the county superintendent of schools of a county of the fifty-first class.

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 451 of the Education Code is amended to read:

451. The annual salary of the county superintendent of schools of a county of the fifty-first class is six thousand five hundred dollars (\$6,500), and he shall possess a valid elementary or secondary teaching credential issued by the State Board of Education.

Modoc
County Su-
perintendent
of Schools
Salary

CHAPTER 988

An act to amend Sections 74642, 74643, and 74644 of the Government Code, relating to the municipal court established in a district embracing the City of Santa Barbara.

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 74642 of the Government Code is amended to read:

74642. There shall be one clerk, one chief deputy clerk, ^{clerk} six deputy clerks, each of whom shall receive a salary in accordance with Section 74643.

SEC. 2. Section 74643 of said code is amended to read:

74643. The monthly salaries for the following positions ^{Salaries} shall be, and shall be increased in accordance with the schedule set forth below:

	A	B	C	D	E
Clerk of the municipal court and marshal of the municipal court	\$373	\$392	\$412	\$433	\$455
Deputy marshals and chief clerk	307	322	338	355	373
Interpreter clerk	240	252	265	278	292
Six deputy clerks	230	240	252	265	278

A one-year service period shall be required for each step. Annual step salary increases provided herein shall be effective as to each officer and employee on his anniversary date. For purposes of this section "anniversary date" means the effective

tive date of the 1955 amendment to this section for those officers and employees whose compensation is increased on said effective date and means the date of first employment or date of last salary increase whichever is later for all other officers and employees. Additional emergency court employees authorized by Sections 72150 and 72151 of the Government Code shall be entitled to the compensation set forth in column B after one full year of service. By reason of prior service in such capacities, the salaries of all deputy clerks who were first employed in the municipal court on or after January 1, 1954, the marshal, and one deputy marshal who was first employed in the municipal court prior to January 1, 1954, holding such positions on January 1, 1955, shall be set at column B, and the salaries of the clerk, chief clerk, and all deputy clerks who were first employed prior to January 1, 1954, holding such positions on January 1, 1955, shall be set at column C.

Marshal,
etc.

SEC. 3. Section 74644 of said code is amended to read:
74644. There shall be one marshal, two deputy marshals, and one interpreter clerk, each of whom shall receive a salary in accordance with Section 74643.

CHAPTER 989

An act to add Section 1506 to the Education Code, relating to contracts of school districts.

In effect
September
7, 1955

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1506 is added to the Education Code, to read:

1506. The governing board of any school district may enter into a contract with a mental health clinic or child guidance clinic for the furnishing to the district by the clinic of mental health services for the pupils of the district. The terms and conditions governing the providing of such services shall be set forth in the contract. No payment shall be made by the district for services performed by persons who do not possess a credential issued by the State Board of Education covering such service. When the conditions of the contract have been fulfilled, the cost of services rendered pursuant to such contract may be paid from the funds of the district. The governing board of any city, county, or district which maintains a public mental clinic or child guidance clinic is authorized to enter such an agreement.

CHAPTER 990

An act to amend Section 71221 of the Government Code, relating to municipal and justice courts.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 71221 of the Government Code is amended to read:

71221. Except as otherwise provided in this section, the clerk of each municipal and justice court, or if there is none, the judge of the court, shall certify monthly to the county auditor a list showing the amount of compensation of the judges, clerks, and other officers and attaches of such court, except marshals or constables. The marshal of a municipal court or the constable of a judicial district shall certify monthly to the county auditor a list showing the amount of compensation of the marshals of the court or the constables in the judicial district.

The clerk of the municipal court in the City and County of San Francisco shall certify monthly or semimonthly to the county auditor a list showing the amount of compensation of the judges, clerks, and other officers and attaches of such court, except marshals or constables, and the auditor is authorized to pay such compensation monthly or semimonthly.

CHAPTER 991

An act to amend Section 30200 of, and to add Section 30064 to, the Water Code, relating to county water districts.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 30200 of the Water Code is amended to read:

30200. The people of a county or two or more contiguous counties or of a portion of such county or counties, whether the portion includes unincorporated territory or not, may form a county water district pursuant to this part.

Sec. 2. Section 30064 is added to said code, to read:

30064. Wherever in this division a reference is made to the county in which a district is situated or to any of the officers thereof, such reference, with respect to a district located in more than one county, shall be deemed to be to the county in which the greater portion of the district is located or to the officers of such county.

CHAPTER 992

An act to amend Section 28118 of the Government Code, relating to compensation for public service in a county of the eighteenth class.

In effect
September
7, 1955

[Approved by Governor June 16, 1955 Filed with
Secretary of State June 17, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 28118 of the Government Code is amended to read:

Ventura
County
officers
Salaries

28118. In a county of the eighteenth class the following shall receive as full compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, seven thousand seven hundred ninety-five dollars (\$7,795) a year. The auditor shall devote his full working time to the duties of his office.

(b) The district attorney, twelve thousand dollars (\$12,000) a year and actual traveling expenses while away from his office on county business, and shall be furnished an automobile for use in the performance of his duties. When traveling in his own car he shall receive nine cents (\$.09) for each mile actually traveled. He shall not personally engage in private law practice.

(c) Each supervisor, five thousand four hundred dollars (\$5,400) a year and his necessary expenses when attending to the business of the county. When traveling in his own car on county business he shall receive nine cents (\$.09) for each mile actually traveled.

(d) For acting as a grand juror for each day's attendance upon regularly called grand jury meetings, committee meetings, or when appointed by the foreman of a grand jury to make individual investigations, five dollars (\$5). For every mile actually traveled as a grand juror in attending court, grand jury meetings, regularly called committee meetings, or when properly appointed by the foreman of the grand jury to make individual investigations, nine cents (\$.09) for each mile actually traveled.

(e) Trial jurors in criminal cases shall receive as compensation for each day's attendance for trial in the superior courts the sum of three dollars (\$3) per day, and for each mile actually and necessarily traveled from their residence in attending the superior court, one way only, the sum of fourteen cents (\$.14) per mile.

CHAPTER 993

An act to amend Section 418 of the Education Code, relating to the superintendent of schools in a county of the eighteenth class.

[Approved by Governor June 16, 1955. Filed with Secretary of State June 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 418 of the Education Code is amended to read:

418. The annual salary of the county superintendent of schools of a county of the eighteenth class is nine thousand eight hundred nineteen dollars (\$9,819), and he shall possess a valid elementary or secondary administrative credential issued by the State Board of Education.

Ventura
County Su-
perintendent
of Schools
Salary

CHAPTER 994

An act to amend Section 6703 of the Education Code, relating to the Public School System.

[Approved by Governor June 16, 1955. Filed with Secretary of State June 17, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6703 of the Education Code is amended to read:

6703. During any fiscal year there shall be expended for the payment of salaries of persons employed by the district in positions requiring certification qualifications or for the payment of tuition by the district to another district the following amounts:

Payment by
district of
salaries,
tuition

(a) Not less than 65 percent of the foundation program for elementary school attendance in elementary districts with an average daily attendance during the preceding year of less than 101, exclusive of pupils attending the seventh and eighth grades of a junior high school, as such foundation program is actually computed for apportionments in the same fiscal year pursuant to Article 4, Chapter 15 of this division, or pursuant to Section 7091, if the foundation program for such district is computed pursuant to Section 7091, whichever is the case for the particular district.

Amounts

(b) Not less than 65 percent of the foundation program for elementary school attendance of an elementary district with an average daily attendance during the preceding year of 101 or more, exclusive of the average daily attendance of pupils attending the seventh and eighth grades of a junior high school, as such foundation program would be computed for apportionments in the same fiscal year pursuant to Article 4 of Chapter 15, or as it would be computed pursuant to Sec-

tion 7091 for apportionments in the same fiscal year, whichever is the larger amount

(c) Not less than 65 percent of the foundation program for high school attendance in high school districts with an average daily attendance during the preceding year of less than 281, as such foundation program is actually computed for apportionments in the same fiscal year pursuant to Article 4 of Chapter 15, or pursuant to Section 7092.1, if the foundation program for such district is computed pursuant to Section 7092.1, whichever is the case for the particular district.

(d) Not less than 65 percent of the foundation program for high school attendance in a high school district which had an average daily attendance during the preceding year of 281 or more, which would be computed for apportionments in the same fiscal year pursuant to Article 4, Chapter 15, or which would be computed for apportionments in the same fiscal year pursuant to Section 7092.1, whichever is the larger amount.

(e) Not less than 65 percent of the foundation program computed for apportionments in the same fiscal year for junior college attendance.

(f) In addition to the above amounts, as determined for each district, not less than 65 percent of the apportionments for growth computed for the district during the preceding fiscal year.

Definitions

The terms "elementary district," "high school district" and "elementary school attendance," "high school attendance," and "junior college attendance," as used in this section, have the same meanings as if used in Chapter 15 of this division.

Exemption

In the event it appears to the governing board of a school district that the application of the preceding paragraphs of this section during a fiscal year would result in serious hardship to the district, or in the payment of salaries to persons employed by the district in positions requiring certification qualifications substantially in excess of the salaries paid persons employed in positions requiring certification qualifications by other districts of comparable type and functioning under comparable conditions, the board may, with the written approval of the county superintendent of schools having jurisdiction over the district, apply to the Superintendent of Public Instruction in writing not later than July 15th of the succeeding fiscal year for exemption from the requirements of the preceding paragraphs of this section for the fiscal year on account of which the application is made. Upon receipt of such application, duly approved, the Superintendent of Public Instruction may grant the district exemption, to the extent deemed necessary by him, from such requirements for the fiscal year on account of which the application is made.

Money not expended

If any portion of the money is not expended as required by this section and is not exempted by the Superintendent of Public Instruction, the county superintendent of schools having jurisdiction over the district shall add such portion to the amount required to be expended for salaries or tuition

for the next succeeding fiscal year or he may transfer 80 percent of such amount to the county school service fund pursuant to Section 7203.

CHAPTER 995

An act to amend Section 448 of the Education Code and Section 28148 of the Government Code, relating to compensation for public service.

[Approved by Governor June 16, 1955. Filed with
Secretary of State June 17, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 448 of the Education Code is amended to read:

448. The annual salary of the county superintendent of schools of a county of the forty-eighth class is seven thousand dollars (\$7,000), and he shall possess a valid elementary or secondary teaching credential issued by the State Board of Education. Colusa
County
salaries
Superin-
tendent of
schools

SEC. 2. Section 28148 of the Government Code is amended to read:

28148. In a county of the forty-eighth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, five thousand two hundred dollars (\$5,200) a year. Auditor

(b) The district attorney, six thousand dollars (\$6,000) a year. District
attorney

(c) Each supervisor shall receive two hundred fifty dollars (\$250) a month, and mileage for each regular or special meeting of the board for each day's attendance, at ten cents (\$.10) a mile actually traveled. Each supervisor shall also receive his necessary expenses when the performance of his duty as supervisor takes him out of the county. Supervisors

(d) Grand jurors and trial jurors in the superior court shall receive six dollars (\$6) for each day's attendance, and eight cents (\$.08) for each mile actually traveled for each day's attendance. Jurors

CHAPTER 996

An act to authorize the Department of Public Works to grant certain excess lands in Santa Clara County to the Santa Clara Valley Water Conservation District.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. The Department of Public Works is hereby authorized to grant and convey to the Santa Clara Valley Water Authority
to convey,
etc., lands

Conservation District, in consideration of the public use to which the hereinafter described lands are to be devoted and the interdependence of said department and said district, without cost to said district, subject to such reservation of access to the freeway as the department may deem proper and subject to a reservation of mineral rights therein on behalf of the State and to the right of the department to construct any state highways across said lands, excess lands acquired by the department for the construction of State Highway Route 5 across a portion of said district's Lexington Reservoir, said excess lands to be granted and conveyed in trust to the district for use by the district for the public purposes of water conservation, recreation, and public utility easements, and to consist of seven parcels described as follows:

Descriptions All that certain real property situate, lying and being in the County of Santa Clara, State of California, described as follows:

Parcel 1:

Parcel 1 Commencing at a point on the westerly line of that certain parcel of land as described in the deed to the State of California recorded April 25, 1950, in Volume 1967 at page 122, Official Records of Santa Clara County, said point being distant N. $0^{\circ} 24' 13''$ W., 447.12 feet from the southwesterly corner of said parcel; thence along said westerly line N. $0^{\circ} 24' 13''$ W., 394.72 feet to the southerly boundary line of the land as described in the relinquishment of state highway to the County of Santa Clara effective May 7, 1952; thence along said boundary line N. $62^{\circ} 06' E.$, 92.00 feet; N. $44^{\circ} 00' E.$, 198.00 feet; N. $65^{\circ} 34' E.$, 232.00 feet; N. $33^{\circ} 34' E.$, 126.00 feet and S. $66^{\circ} 35' E.$, 183.10 feet; thence leaving said boundary line S. $41^{\circ} 03' 47'' W.$, 214.15 feet; thence S. $35^{\circ} 20' 30'' E.$, 537.45 feet to a point distant N. $79^{\circ} 35' 15'' W.$, 115.00 feet from Station 217+50 on the "C10" line of the Department of Public Works' survey for the state freeway in Santa Clara County, Road IV-SCI-5-C; thence N. $79^{\circ} 35' 15'' W.$, 185.00 feet; thence S. $10^{\circ} 24' 45'' W.$, 130.00 feet; thence S. $79^{\circ} 35' 15'' E.$, 100.00 feet; thence S. $38^{\circ} 49' 50'' W.$, 211.52 feet; thence N. $60^{\circ} 58' 13'' W.$, 171.49 feet; thence N. $76^{\circ} 19' 13'' W.$, 155.35 feet; thence N. $54^{\circ} 33' 13'' W.$, 117.08 feet; thence N. $87^{\circ} 09' 13'' W.$, 126.35 feet; thence S. $70^{\circ} 50' 47'' W.$, 77.28 feet to the point of commencement.

Containing 10.093 acres, more or less.

Parcel 2:

Parcel 2 Commencing at a point on the westerly line of that certain parcel of land described in the deed to the State of California recorded April 25, 1950, in Volume 1967 at page 122, Official Records of Santa Clara County, distant thereon N. $0^{\circ} 24' 13''$ W., 986.62 feet from the southwesterly corner, said point being also on the northerly boundary line of the land described in the relinquishment of state highway to the County of Santa Clara effective May 7, 1952; thence along said northerly boundary line the following courses: N. $36^{\circ} 53' 20'' E.$, 38.14 feet;

N. 50° 49' 01" E., 160.00 feet; N. 83° 40' E., 197.00 feet; N. 42° 27' E., 191.00 feet; S. 86° 28' E., 131.00 feet; S. 48° 46' E., 61.00 feet; N. 60° 53' E., 71.00 feet; N. 3° 38' 50" E., 104.35 feet to a point distant S. 89° 56' W., 388.97 feet from Station 226+00.88 on the "C10" line of the Department of Public Works' survey for the state freeway in Santa Clara County Road IV-SCI-5-C; thence N. 32° 23' 15" E., 104.63 feet; thence leaving said boundary line S. 79° 36' 05" W., 82.64 feet; thence S. 29° 10' 15" W., 67.63 feet; thence S. 78° 20' 15" W., 60.88 feet; thence N. 7° 53' 15" E., 61.37 feet; thence N. 15° 46' 15" E., 55.15 feet; thence N. 41° 14' 45" W., 40.27 feet; thence S. 28° 53' 05" W., 80.67 feet; thence S. 22° 14' 30" W., 81.91 feet; thence N. 89° 55' W., 173.05 feet; thence S. 15° 41' 47" W., 39.80 feet; thence S. 16° 21' 47" W., 24.54 feet; thence S. 36° 34' 13" E., 54.93 feet; thence S. 38° 20' 47" W., 63.34 feet; thence S. 52° 40' 47" W., 75.31 feet; thence S. 79° 22' 47" W., 49.00 feet; thence N. 80° 48' 13" W., 68.02 feet; thence S. 88° 27' 47" W., 85.74 feet; thence N. 81° 42' 13" W., 69.87 feet to the aforesaid westerly line; thence along last said line S. 0° 24' 13" E., 193.01 feet to the point of commencement.

Containing 1.963 acres, more or less.

Parcel 3:

Commencing at the most westerly corner of that certain parcel of land described in the deed to the State of California recorded May 19, 1950, in Volume 1981 at page 562, Official Records of Santa Clara County, said corner being on the line common to the properties, now or formerly, of Art. E. Walton et al, and Malcolm J. Jewett et ux; thence along said common property line N. 70° 06' 50" E., 92.97 feet; thence S. 18° 25' 09" W., 109.73 feet to the southwesterly line of first said parcel; thence along last said line N. 38° 44' 15" W., 17.62 feet and N. 35° 23' 30" W., 72.05 feet to the point of commencement.

Containing 0.093 of an acre, more or less.

Parcel 4:

Commencing at the most easterly corner of Parcel 1 as described in the deed to the State of California recorded April 21, 1950, in Volume 1965 at page 608, Official Records of Santa Clara County, said corner being on the line common to the properties, now or formerly, of the State of California and of Art. E. Walton et al; thence along said line S. 27° 09' 20" W., 45.35 feet; thence N. 38° 30' 21" W., 176.68 feet; thence N. 7° 21' 30" E., 86.30 feet to the line common to the properties, now or formerly, of State of California and of Mary Frank; thence along said line and its southeasterly prolongation S. 33° 06' 20" E., 219.05 feet to the point of commencement.

Containing 0.225 of an acre, more or less.

Parcel 5:

Commencing at the southeasterly corner of that certain parcel of land described in the deed to the State of California recorded April 25, 1950, in Volume 1967 at page 122, Official

Records of Santa Clara County; thence S. $81^{\circ} 19' 10''$ W., 119.96 feet; thence N. $7^{\circ} 21' 30''$ E., 6.95 feet; thence N. $66^{\circ} 20' 06''$ E., 128.46 feet; thence S. $0^{\circ} 03' 45''$ E., 40.35 feet to the point of commencement.

Containing 0.064 of an acre, more or less.

Parcel 6:

Parcel 6

A portion of that certain 55 acre tract of land described in the deed from Garry Owen et ux to Eugene M. Prince recorded June 16, 1938, in Book 878 at page 453, Official Records of Santa Clara County, more particularly described as follows:

Commencing at the southeasterly corner of said 55-acre tract; thence along the southerly line of said tract S. $89^{\circ} 53'$ W., 240 feet; thence N. $73^{\circ} 55'$ E., 89.38 feet and N. $80^{\circ} 31'$ E., 156.15 feet to the easterly line of said 55-acre tract; thence along the last mentioned line S. $0^{\circ} 07'$ E., 50 feet to the point of commencement.

Containing 0.156 of an acre, more or less.

Parcel 7:

Parcel 7

Commencing at the most northern corner of that certain 0.328 acre tract of land described in the indenture from San Jose Water Works, a corporation to the State of California recorded October 25, 1950, in Volume 2082, page 247 of Official Records of Santa Clara County; thence along the northwestern line of said tract S. $50^{\circ} 35'$ W., 153.00 feet; thence N. $36^{\circ} 53' 20''$ E., 196.21 feet; thence S. $0^{\circ} 24' 13''$ E., 59.78 feet to the point of commencement.

Containing 0.082 of an acre, more or less.

CHAPTER 997

An act to add Section 73.1 to the Water Conservation Act of 1931 (Chapter 1020 of the Statutes of 1931), relating to improvement district assessments, and declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 73.1 is added to the Water Conservation Act of 1931, to read:

Applicable
laws

Sec. 73.1. In the discretion of the board of directors in the construction of any work to be done or improvement made within an improvement district formed pursuant to Section 68 of this act and in the levying of assessments and reassessments and the issuing of bonds to pay for costs and expenses of the work and improvements done or to be done hereunder the board may use the Improvement Act of 1911, the Municipal Improvement Act of 1913, the Improvement Bond Act of 1915,

the Street Opening Act of 1903, or the Street Improvement Act of 1913 and said acts are and each of them is applicable to districts; provided, however, that notwithstanding the provisions or limitations of any of said acts relating to the work authorized to be done or the improvements authorized to be made thereunder, a district created by this act shall have power to acquire or construct in any such improvement district by the procedures permitted by this section any improvements authorized by this act, and the improvements authorized to be constructed or acquired by the procedure permitted by this section are restricted to those permitted by this act to be constructed or acquired in any such improvement district. In the application of said acts to proceedings hereunder, the terms used in said acts shall have the following meanings:

- (a) "City council" and "council" mean board. Definitions
- (b) "City" and "municipality" mean district.
- (c) "Clerk" and "city clerk" mean secretary.
- (d) "Superintendent of streets" and "street superintendent" and "city engineer" mean the chief engineer of the district or any other person appointed to perform such duties.
- (e) "Tax collector" means county tax collector.
- (f) "Treasurer" and "city treasurer" mean the county treasurer who is the depository of the district.
- (g) "Right of way" means any right of way owned or held by the district for the purpose of constructing or maintaining any work or improvements which the district is authorized to do.

The powers and duties conferred by said acts upon boards, officers and agents of cities shall be exercised by the board, officers and agents of the district, respectively. Parties to exercise powers, etc

No assessment or bond hereafter levied or issued shall become a lien and no person shall be deemed to have notice thereof until a certified copy of the assessment in the proceedings under any of said acts and the diagram attached to said assessment shall be recorded in the office of the county recorder of each county in which any part of the lands assessed are located. Lien recordation

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

Water is vital to the State of California and there is urgent necessity for its conservation. Water conservation districts in this State are unable to plan for new local projects in the most efficient and economical fashion under the present provisions relating to improvement districts and assessment proceedings therein. The immediate availability of this act will allow water conservation operations to proceed at maximum efficiency.

CHAPTER 998

An act to amend Section 437 of the Education Code, relating to the county superintendent of schools of a county of the thirty-seventh class.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 437 of the Education Code is amended to read:

Sutter
County Su-
perintendent
of Schools.
Salary

437. The annual salary of the county superintendent of schools of a county of the thirty-seventh class is five thousand nine hundred dollars (\$5,900), and he shall possess a valid elementary or secondary administrative credential issued by the State Board of Education.

CHAPTER 999

An act to amend Sections 2, 3, 5, 7, 15, 17, 18, 19, 21, 22, and 29 of the San Benito County Water Conservation and Flood Control District Act, relating to the San Benito County Water Conservation and Flood Control District.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2 of the San Benito County Water Conservation and Flood Control District Act is amended to read:

District
established

Sec. 2. A district is hereby created to be called the San Benito County Water Conservation and Flood Control District. Said district shall consist of all of the territory within the County of San Benito lying within the following described exterior boundaries:

Boundaries

Beginning at the northeast corner of Rancho San Justo which corner is common to Rancho San Joaquin, Rancho Bolsa de San Felipe and Sec. 24 of T. 12 S., R. 5 E., M. D. B. & M.; thence northwesterly along the boundary between Ranchos San Justo and Bolsa de San Felipe to the intersection of the center line of Santa Anna Creek; thence down said creek in a northerly direction to the intersection between center line of State Highway No. 156 and center line of said creek; thence southwesterly along said highway to the intersection with the San Felipe Road; thence northerly to the northeast corner of the land of Tom Sanchez, et al.; thence westerly along the northern boundary line of Tom Sanchez, et al., to the east line of the land of O'Connell; thence southerly along the west boundary line of Tom Sanchez, et al., to the north-

east corner of Lot P of Rancho Bolsa de San Felipe; thence southwesterly along the north boundary of said Lot P to the northwest corner thereof, which point is also the southwest corner of Lot I of said Rancho; thence northwesterly along the west line of said Lot I to the northwest corner of Lot L of said Rancho; thence southwesterly to the center line of the Bolsa Road; thence northwesterly along said center line of Bolsa Road to the intersection with the center line of Hudner Lane; thence southwesterly along the center line of Hudner Lane to the east line of S. P. R. R. right of way; thence southeasterly along the east line of S. P. right of way to the intersection of the agreed partition line between Flint & Bixby and Hollister; thence southwesterly along said agreed partition line to the intersection with the center line of Wright Road; thence along the center line of Wright Road to the intersection of the center line of Buena Vista Road; thence westerly along the center line of Buena Vista Road and along the south boundaries of Lots 26, 25, 24, 23, and 22 of the Flint Hills subdivision to the intersection with the southeast grant line of Rancho Lomerios Muertas; thence northwesterly along a direct line to the point of intersection between the southwesterly boundary line of Rancho Lomerios Muertas and the county line of Santa Clara County in the bed of the Pajaro River; thence following the county boundary line between the Counties of San Benito and Santa Clara to the northeast corner of Rancho Aromitas y Agua Caliente; thence southeasterly along east boundary line of said Rancho to the intersection with the most northerly corner of Rancho San Antonio; thence following the east boundary line of said Rancho southeasterly and then southwesterly to the intersection with the township line between 12 S. and 13 S., R. 4 E., M. D. B. & M. and; thence east along said township line to the intersection of the west line of the Rancho San Justo; thence southwesterly along the west boundary line of Rancho San Justo to the most westerly corner of said Rancho; thence southeasterly along said Rancho boundary line to the intersection with the agreed boundary line between Flint & Bixby and Hollister; thence northeasterly along said agreed boundary line to the intersection of the center line of the Union Road; thence southeasterly along the center line of said road to the west boundary line of the Hollister Irrigation District; thence in a straight line in a southeasterly direction to a point which is the southeast corner of Rancho San Justo being also the northeast corner of the Rancho Cienega del Gabilan at the Junction of Bird Creek with San Benito River; thence in a straight line in a southeasterly direction to a point which is the intersection of the west line of Sec. 35, T. 14 S., R. 6 E. with the southwest boundary line of Rancho Cienega de los Paicines; thence following along the boundary line of said Rancho in a southeasterly, easterly, and northerly direction to the intersection with the east line of T. 14 S., R. 6 E., which point is the northeast corner of Sec. 24, T. 14 S., R. 6

E.; thence north along the boundary line between T's. 14 S., R's. 6 and 7 E., to the northeast corner of Sec. 1, T. 14 S., R. 6 E.; thence northwesterly in a straight line to the common corner of T's 12 S., R's. 5 E. and 6 E., and T's 13 S., R's. 5 and 6 E., which point is in the center line of Fairview Road; thence northerly along center line of said Road to the intersection of the south boundary line of Rancho San Joaquin; thence southwesterly along the south boundary line of said Rancho to the point of beginning.

SEC. 1.5. Section 3 of said act is amended to read:

Definitions

Sec. 3. As used in this act the following words shall have the respective meanings stated:

(a) "District" shall mean the San Benito County Water Conservation and Flood Control District.

(b) "Board" shall mean the board of directors of the district.

(c) "County" shall mean the County of San Benito, State of California.

(d) "United States" shall mean the United States of America and all bureaus, commissions, divisions, departments, boards, agencies and officers of the United States of America.

(e) "State of California" shall include the State of California and all bureaus, commissions, divisions, departments, boards, agencies and officers of the State of California.

(f) "Work or works" shall include the dams and damsites, reservoirs and reservoir sites, conduits and other facilities useful in the control, conservation, diversion and transmission of waters and all land, property, franchises, easements, rights of way and privileges necessary or useful to operate or maintain any of the foregoing.

(g) "Elector" shall mean any real property owner as shown by the last equalized assessment roll of the county, who owns land in the district or in a zone or proposed zone affected or to be affected by any election held under this act.

(h) "Flood and storm waters" shall mean waters in excess of the seasonal normal flow of the streams in which they occur that are not usable beneficially as part of the ordinary flow of such streams and which, if not intercepted, would escape from the County of San Benito.

(i) "May" is permissible, and "shall" is mandatory.

SEC. 2. Section 5 of said act is amended to read:

Organization
election

Sec. 5. Within 40 days after the effective date of this act the board shall, by resolution, provide for the holding of a special district election for the purpose of submitting to the electors the question of whether the organization of the district, as provided herein, shall be ratified and confirmed, and shall fix a date upon which such special district election shall be held, which date shall not be less than 30 nor more than 180 days after the adoption of such resolution.

General elec-
tion laws
applicable

In all particulars not recited in said resolution such special district election shall be called and held in accordance with the general election laws of the State of California insofar as

the same may be applicable, except that it shall be the duty of the county assessor to provide a list of landowners, which list shall be the list of electors for the purposes of this section. Preparation of such list shall be a charge against the county general fund. If there is a conflict in election procedures, the provisions of this act shall prevail. But in addition to the matters and things required to be set forth in the proclamation therein provided for, such proclamation shall likewise set forth the proposition to be submitted to the electors. The proposition shall be submitted in substantially the following form: "Shall the organization of the San Benito County Water Conservation and Flood Control District, as provided in the act adopted by the Legislature at its last regular session, known as the San Benito County Water Conservation and Flood Control Act, be ratified and confirmed?" Opposite shall be the word "YES" followed by a square wherein to mark a cross, and also opposite shall be the word "NO" followed by a square wherein to mark a cross.

There may be absentee ballots under this act.

Returns of the election shall be made and the votes canvassed by the board on the first Monday which is six or more days after the election and the results of the election shall be ascertained and declared by the board at the conclusion of the counting of any absentee ballots, which counting shall be done in conformity with the general election laws of the State of California.

If such proposition is approved by a majority of the electors voting thereon at such election the president and secretary of the board shall file or cause to be filed with the Secretary of State and shall record or cause to be recorded in the Office of the County Recorder of San Benito County, a certificate stating the result of such election to be the formation of the district under the provisions thereof. Upon receipt of the certificate the Secretary of State shall within 10 days issue his certificate reciting that the district has been duly incorporated. A copy of this certificate shall be transmitted to and filed with the County Clerk of San Benito County.

Election
results
Majority vote

SEC. 2.5. Section 7 of said act is amended to read:

Sec. 7. The board shall have no power to levy any taxes on a district basis and all taxes shall be levied or imposed only on land, except that in zones created for flood control taxes may be levied or imposed on land and the improvements thereon, benefiting from district activities on a zone basis in zones created for specific benefits in accordance with the provisions of this act. In any zone said taxes shall in no event exceed an amount of twenty-five cents (\$0.25) per hundred dollars (\$100) of assessed valuation of land taxed; provided, however, that taxes for the service of bonds provided in Section 22 of this act may be in addition to said amount.

Limitations
on taxing
power

SEC. 3. Section 15 of said act is amended to read:

Sec. 15. The board may institute projects for single zones and joint projects for two or more zones, for the financing,

Zone
projects

Resolution of
intentionNotice of
hearing

constructing, maintaining, operating, extending, repairing or otherwise improving any work or improvement of common benefit to such zone or participating zones. For the purpose of acquiring authority to proceed with any such project, the board shall adopt a resolution specifying its intention to undertake such project, together with the engineering estimates of the cost of same to be borne by the particular zones or participating zones and fixing a time and place for public hearing of said resolution and which shall refer to a map or maps showing the general location and general construction of said project. Notice of such hearing shall be given by publication once a week for two consecutive weeks prior to said hearing, the last publication of which notice must be at least seven (7) days before said hearing, in a newspaper of general circulation designated by the board, circulated in such zone or each of said participating zones, if there be such newspaper, and if there be no such newspaper then by posting notice for two consecutive weeks prior to said hearing in five public places designated by the board, in such zone or in each of said participating zones. Said notice must designate a public place in such zone or in each of said participating zones where a copy or copies of the map or maps of said joint project may be seen by any interested person; said map must be posted in each of said public places so designated in said notice at least two weeks prior to said hearing.

Hearing

At the time and place fixed for the hearing, or at any time to which said hearing may be continued, the board shall consider all written and oral objections to the proposed project. Upon the conclusion of the hearing the board may abandon the proposed project or proceed with the same, or a portion thereof, unless prior to the conclusion of said hearing written protests against the proposed project signed by a majority in number of the electors of such zone or participating zones be filed with the board, in which event further proceedings relating to such project must be suspended for not less than six months following the date of the conclusion of said hearing, or said proceeding may be abandoned at the discretion of the board.

SEC. 4. Section 17 of said act is amended to read:

Sec. 17. The board shall have power, in any year:

Tax levy

To levy taxes upon all land in each or any of said zones, or in the case of zones created for flood control, on all land and the improvements thereon, according to benefits derived or to be derived therein to pay the cost and expenses of carrying out any of the objects or purposes of this act of benefit to such zones, including the administering, constructing, maintaining, operating, extending, repairing, or otherwise improving any or all works of improvement established or to be established within or on behalf of said respective zones. Said taxes shall be based upon the assessment rolls used by the county for general tax purposes.

In the event of project cooperation with any of the governmental bodies as authorized in subdivision 7 of Section 6 of this act, and the making of a contract with any such governmental body for the purposes set forth in said subdivision 7, by the terms of which work is agreed to be performed by any such governmental body in any specified zone or participating zones, for the particular benefit thereof, and by said contract it is agreed that the district is to pay to such governmental body, a sum of money in consideration or subvention for the performance of said work by such governmental body, the board may levy and collect a special tax upon the property in such zone or participating zones, whereby to raise funds to enable the district to make such payment. Special tax

Said taxes shall be levied and collected together with, and not separately from taxes for county purposes, and the revenues derived from said taxes shall be paid into the county treasury to the credit of said district, and the respective zones thereof, and the board shall have the power to control and order the expenditure thereof for said purposes; provided, however, that no revenues, or portions thereof, derived in any of the several zones from the taxes levied under the provisions of this section shall be expended for constructing, maintaining, operating, extending, repairing or otherwise improving any works or improvements located in any other zone, except in the case of joint projects, or for projects authorized or established outside such zone, or zones, but for the benefit thereof. In cases of projects joint to two or more zones, such zones will become, and shall be referred to as, participating zones. Disposition of proceeds

SEC. 5. Section 18 of said act is amended to read:

Sec. 18. (1) Whenever the board determines that a bonded indebtedness should be incurred to pay the cost of any work or improvement in any zone or zones, the board may by resolution, determine and declare the respective amounts of bonds in order to raise the amount of money necessary for each work or improvement and the denomination and rate of interest of said bonds. The board shall cause a copy of the resolution duly certified by the clerk, to be filed for record in the office of the recorder of San Benito County within five (5) days after its issuance. From and after said filing of said copy of said resolution the board shall be deemed vested with the authority to proceed with the bond election. Bonded indebtedness
Resolution of
intention

(2) After the filing for record of the resolution specified in subdivision (1) of this section, the board may call a special bond election in said zone or participating zones at which shall be submitted to the qualified electors of said zone or participating zones the question whether or not bonds shall be issued in the amount or amounts determined in said resolution and for the purpose or purposes therein stated. Said bonds and the interest thereon shall be paid from revenue derived from annual taxes levied upon the lands situated within the zone or participating zones, and all such lands shall be and remain liable to be taxed for such payments as provided in this act. Special bond election

Ordinance

(3) Said board shall call such special bond election by ordinance and not otherwise and submit to the qualified electors of said zone or participating zones, the proposition of incurring a bonded debt in said zone or participating zones in the amount and for the purposes stated in said resolution and shall recite therein the objects and purposes for which the indebtedness is proposed to be incurred; provided, that it shall be sufficient to give a brief, general description of such objects and purposes, and refer to the recorded copy of such resolution adopted by said board, and on file for particulars; and said ordinances shall also state the estimated cost of the proposed work and improvements, the amount of the principal of the indebtedness to be incurred therefor, and what part or installment of such indebtedness shall be paid each and every year, and which shall not in any one year be less than one-fortieth ($1/40$) of the whole amount of the principal and interest of such indebtedness, and the rate of interest to be paid on said indebtedness, and shall fix the date on which such special election shall be held, and the form and contents of the ballot to be used. The rate of interest to be paid on such indebtedness shall not exceed five percent (5%) per annum. For the purposes of said election, said board shall in said ordinance establish a special bond election precinct or precincts within the boundaries of each zone and participating zone and may form election precincts by consolidating the precincts established for general elections in said district to a number not exceeding six general precincts for each such special bond election precinct, and shall designate polling places and appoint at least one inspector, one judge and one clerk for each of such special bond election precincts.

General election laws applicable

In all particulars not recited in said ordinance, such special bond election shall be held as nearly as practicable in conformity with the general election laws of the State, except that voters shall be electors as defined in this act. It shall be the duty of the county assessor to provide a list of landowners, which list shall be the list of electors for purposes of this section. Preparation of such list shall be a charge against the county general fund.

Maps

Said board shall cause a map or maps to be prepared covering a general description of the work to be done, which said map shall show the location of the proposed works and improvements and shall cause the said map to be posted in a prominent place in the county courthouse for public inspection for at least thirty (30) days before the date fixed for such election.

Publication of ordinance

Said ordinance calling for such special bond election shall, prior to the date set for such election, be published in a newspaper of general circulation circulated in each zone and participating zone affected for six consecutive times if published in a daily newspaper of general circulation, or two times if published in a weekly newspaper of general circulation. The last publication of such ordinance must be at least fourteen (14) days before said election, and if there be no such news-

paper, then such ordinance shall be posted in five public places designated by the board, in each zone and participating zone for at least thirty (30) days before the date fixed for such election. No other notice of such election need be given nor need polling place cards be issued.

Any defect or irregularity in the proceedings prior to the calling of such special bond election shall not affect the validity of the bonds authorized by said election. If at such election two-thirds ($\frac{2}{3}$) of the votes cast are in favor of incurring such bonded indebtedness, then bonds for such zone or participating zones for the amount stated in such proceedings shall be issued and sold as in this act provided.

SEC. 6. Section 19 of said act is amended to read:

Sec. 19. The board shall, subject to the provisions of this act, prescribe by resolution the form of said bonds, which must include a designation of the zone or participating zones affected, and of the interest coupons attached thereto. Said bonds shall be payable annually or semiannually at the discretion of the board each and every year on a day and date, and at a place to be fixed by said board, and designated in such bonds, together with the interest on all sums unpaid on such date until the whole of said indebtedness shall have been paid.

The bonds shall be issued in such denominations as the board may determine, except that no bonds shall be of a less denomination than one hundred dollars (\$100), nor of a greater denomination than one thousand dollars (\$1,000), and shall be payable on the days and at the place fixed in said bonds, and with interest at the rate specified in such bonds, which rate shall not be in excess of five per centum (5%) per annum, and shall be made payable annually or semiannually, and said bonds shall be numbered consecutively and shall be signed by the chairman of the board, and countersigned by the auditor of said district, and the seal of said district shall be affixed thereto by the clerk of the board. The signature of the chairman of the board may be his engraved or lithographed signature. The interest coupons of said bonds shall be numbered consecutively and signed by the said auditor by his engraved or lithographed signature. In case any such officer whose signatures or countersignatures appear on the bonds or coupons shall cease to be such officer before the delivery of such bonds to the purchaser, such bonds and coupons, and signatures or countersignatures shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until the delivery of the bonds.

SEC. 7. Section 21 of said act is amended to read:

Sec. 21. Any bonds issued under the provisions of this act shall be a lien upon all land of the zone or zones of issuance, except in zones created for flood control the bonds shall be a lien on all land and the improvements thereon in the zone, and the lien for the bonds of any issue shall be a preferred lien to that of any subsequent issue. Said bonds and the interest

Defects or
irregularities

Two-thirds
vote

Bonds
Form,
time of
payment,
etc

Bonds Lien

Payment

thereon shall be paid by revenue derived from an annual tax upon all land within said zone or participating zones and all land in said zone or participating zones shall be and remain liable to be taxed for such payments as hereinafter provided. No zone nor the property therein shall be liable for the share of bonded indebtedness of any other zone, nor shall any moneys derived from taxation in any of the several zones be used in payment of principal or interest or otherwise of the share of bonded indebtedness chargeable to any other zone.

Deposit and
registration

Said bonds may be deposited and registered with the treasurer of the county, and it shall be an official duty of said treasurer to receive and register said bonds in the name of the holder and to keep a sufficient book of registry thereof setting forth a description of the bonds and the names and addresses of the respective holders, and to give each holder of such bonds so registered a receipt therefor; said receipts shall be personal to the respective holders and not transferable. Such bonds shall be returned to such holders thereof or in case of death to the duly appointed personal representative of the holder's estate, upon the giving of receipt therefor, with or without return of the receipt given by the treasurer at the time of such deposit and registry. And the treasurer, at the request of such holder, or such personal representative, may detach and deliver to such holder or personal representative, mature coupons from time to time, first taking receipts therefor.

SEC. 8. Section 22 of said act is amended to read:

Annual
tax levy

Sec. 22. The board shall levy a tax each year upon all land in the zone or zones of issuance, or in zones created for flood control, upon all land and the improvements thereon in the zone or zones of issuance, sufficient to pay the interest and such portion of the principal of said bonds as is due or to become due before the time for making the next general tax levy. Such taxes shall be levied and collected in the respective zones of issuance together with and not separately from taxes for county purposes, and when collected shall be paid into the county treasury of said San Benito County to the credit of the zone of payment, and be used for the payment of the principal and interest on said bonds, and for no other purpose. The principal and interest on said bonds shall be paid by the county treasurer of said San Benito County in the manner provided by law for the payment of principal and interest on bonds of said county.

SEC. 9. Section 29 of said act is amended to read:

Additional
bonds

Sec. 29. Whenever bonds have been authorized by any zone or participating zone of said district and the proceeds of the sale thereof have been expended as in this act authorized, and the board shall by resolution determine that additional bonds should be issued for carrying out the work of flood control, or for any of the purposes of this act, the board may again proceed as in this act provided, and submit to the qualified electors of said zone or participating zone, the question of

issuing additional bonds in the same manner and with like procedure as hereinbefore provided, and all the above provisions of this act for the issuing and sale of such bonds, and for the expenditure of the proceeds thereof, shall be deemed to apply to such issue of additional bonds.

CHAPTER 1000

An act to amend Section 28137 of the Government Code, relating to compensation for public services in counties of the thirty-seventh class.

[Approved by Governor June 17, 1955. Filed with Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28137 of the Government Code is amended to read:

28137. In a county of the thirty-seventh class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums: Sutter
County
officers
Salaries

(a) The auditor, five thousand two hundred fifty dollars (\$5,250) a year.

(b) The district attorney, five thousand three hundred dollars (\$5,350) a year.

(c) Each supervisor shall receive three thousand five hundred dollars (\$3,500) a year, and his actual expenses while attending to the business of the county by the order of the board of supervisors and mileage at the rate of fifteen cents (\$.15) a mile one way, for traveling from his residence to the county seat to attend regular, special and adjourned sessions of the board of supervisors.

(d) Grand jurors and jurors in the superior court shall receive five dollars (\$5) for each day's attendance and fifteen cents (\$.15) for each mile actually traveled in attending court as a juror, and for attending regularly called grand jury meetings and grand jury committee meetings, one way. Mileage shall be paid for each time a regularly empaneled jury or grand jury is called in separate session.

The compensation provided by this section shall be payable to incumbent officers.

CHAPTER 1001

An act to amend Sections 12100 and 12300.3 of the Financial Code, relating to the Check Sellers and Cashers Law.

[Approved by Governor June 17, 1955. Filed with Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12100 of the Financial Code is amended to read:

Exemptions

12100. The provisions of this division do not apply to any of the following:

(a) Persons or their authorized agents doing business under license and authority of the Superintendent of Banks of the State of California, or under any law of this State or of the United States relating to banks, trust companies, building or savings and loan associations, industrial loan companies, personal property brokers, credit unions, or California small loan companies.

(b) Persons or their authorized agents engaged in the business of paying to others bills, invoices, or accounts of an obligor, or of selling or cashing checks, including traveler's checks, drafts, or money orders issued by a person who has been licensed under and complied with and continues to be licensed under and comply with, Article 3 of Chapter 14 of Division 1 of this code.

(c) Attorneys at law who are not actively engaged in business as a check seller or cashier.

(d) Persons or their authorized agents licensed as a collection agency or a merchant owned nonprofit credit association.

(e) Any transaction in which money or other property is paid to a "joint control agent" for dispersal or use in payment of the cost of labor, materials, services, permits, fees, or other items of expense incurred in construction of improvements upon real property.

SEC. 2. Section 12300.3 of the Financial Code is amended to read:

Trust funds

12300.3. All money received by a licensee or his agents from the sale of checks, drafts, money orders, or other commercial paper serving the same purpose and for the purpose of paying bills, invoices, or accounts of an obligor shall constitute trust funds owned by and belonging to the person from whom they were received. All such money received by an agent of a licensee shall be separated from the funds of the agent not later than the end of the third business day following receipt by such agent. All such money shall thereafter be kept separate and apart at all times from funds belonging to the licensee or any of its officers, employees or agents and may be used for no purpose other than paying bills of said persons, or paying checks, drafts, money orders, or other commercial paper sold by the licensee. All such trust funds received at the main or branch offices of a licensee shall be deposited in a bank or banks in an account or accounts in the name of the licensee designated "trust account," or by some other appropriate name indicating that the funds are not the funds of the licensee or of its officers, employees, or agents, on or before the close of the next business day following receipt. Moneys received by an agent of a licensee must be deposited in such account on or before the close of the third business day following receipt by the agent. Such funds are not subject to attachment, levy of execution or sequestration by order of court except by a payee or bona fide assignee or bona fide holder in due course of a check, draft, or

Trust
account

money order sold by a licensee, or except by an obligor for whom a licensee is acting as an agent in paying bills. Funds in said account, together with money on hand and in the hands of agents held for the account of the licensee, at all times shall be at least equal to the aggregate liability of the licensee on account of checks sold and bills, invoices, and accounts accepted for payment.

In the event a licensee obtains an unqualified guarantee of a surety or insurance company authorized to do business in the State of California which guarantees the payment of checks, drafts, money orders, or other commercial paper serving the same purpose sold by the licensee and the payment of bills, invoices, or accounts of an obligor under the provisions of this law, the commissioner may, if he considers such guarantee or insurance adequate, authorize such licensee to use such above described funds for the purpose of cashing checks, drafts, or money orders. In such an event, funds in the trust account, together with money on hand and in the hands of agents held for the account of the licensee, and checks, drafts, or money orders received in said business and on hand at all times shall be at least equal to the aggregate liability of the licensee on account of checks sold, and bills, invoices, and accounts accepted for payment.

Guarantee
by surety or
insurance
company

Nothing in this law shall be construed to prevent a purchaser, a holder in due course, the payee of a check, draft, or money order sold by the licensee in the usual course of his business, or an obligor for whom the licensee is acting as an agent in paying bills of the obligor, from taking any legal action necessary to enforce any claims which said purchaser, holder in due course, payee, or obligor may desire to take including the right to levy attachment or execution.

Enforcement
of claims by
purchaser,
etc

In the event a license under this law shall be suspended or terminated the licensee shall immediately deposit in said trust account an amount which with funds therein contained shall be equal to the outstanding checks sold and bills unpaid.

Suspension,
etc., of
license

CHAPTER 1002

An act to add Sections 62.2, 218, 219, and Division 2b to, and to amend Sections 215 and 216 of, the Vehicle Code, relating to highway user taxes and fees, creating the Reciprocity Commission, and defining the powers thereof.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 62.2 is added to the Vehicle Code, to read:

“Reciprocity Commission” 62.2. “Reciprocity Commission.” “Reciprocity Commission” is the commission empowered to enter into reciprocity agreements.

SEC. 2. Division 2b is added to said code, to read:

DIVISION 2b. THE RECIPROCITY COMMISSION

CHAPTER 1. ADMINISTRATION

- Members 139.75. Reciprocity Commission Created. The Reciprocity Commission shall be composed of the Lieutenant Governor, the Director of Motor Vehicles, the Director of Public Works, the State Controller, and the Commissioner of the California Highway Patrol.
- Compensation 139.76. Compensation. All of the members of the commission shall serve thereon without additional compensation, but they shall receive their necessary actual traveling expenses incurred in the discharge of their duties.
- Majority 139.77. Majority May Act. A majority of the members of the commission may act for the commission.
- Assistance 139.78. Director of Motor Vehicles to Provide Assistance. The Director of Motor Vehicles shall provide such assistance to the commission as it may require.

CHAPTER 2. POWERS AND DUTIES

- Agreements 139.85. Commission to Enter Into Agreements. The commission is empowered to enter into formal agreements or arrangements as provided in Section 218 of this code.
- Regulations 139.86. Rules and Regulations. The commission may adopt such rules and regulations as may be necessary to effectuate the powers granted to it by this code.
- SEC. 3. Section 215 of said code is amended to read:
- Commercial vehicles 215. Special Provisions Applicable to Commercial Vehicles. (a) The provisions of this section and Sections 218 and 219 shall apply to vehicles of a type subject to registration hereunder used or maintained for the transportation of persons for hire, compensation, or profit, or designed, used or maintained primarily for the transportation of property. The above described vehicles are hereinafter referred to as commercial vehicles for the purposes of this section and Sections 218 and 219.
- Registration (b) A nonresident owner of any foreign commercial vehicle as hereinabove described shall register each such vehicle in this State and pay the fees applicable thereto under this code except as provided in subdivisions (c) and (d) of this section or as otherwise provided in Sections 218 or 219 and except in the event any said vehicle is lawfully registered as a private passenger-carrying vehicle in the state, District of Columbia, territory, province or country in which the owner has his residence.

(c) Notwithstanding any provision of this code to the contrary, any vehicle which is a two-wheel semitrailer offered for short-term lease to operators of private motor vehicles for the purpose of transporting the lessee's personal property and does not exceed (a) a maximum unladen weight of 1,000 pounds, (b) a maximum gross vehicular weight of 2,500 pounds, (c) a maximum outside width of 80 inches, and (d) a maximum loading area of 48 square feet, and is owned by a nonresident owner shall be exempt from registration and registration fees if such vehicle is registered in the state, District of Columbia, territory, province or country in which the owner has his residence. Exemption

(d) Notwithstanding the provisions of subdivision (b) of this section, the nonresident owner of a foreign vehicle as described in subdivision (a) of this section shall be granted such privileges and freedom from registration and payment of fees imposed by this Vehicle Code or the Vehicle License Fee Law in this State as the home state, District of Columbia, territory, province or country in which such foreign vehicle is registered or licensed grants to like vehicles registered in California or as provided in agreements, arrangements or declarations made under the provisions of Section 218. Reciprocity

SEC. 4. Section 216 of said code is amended to read:

216. Registration of Nonresident Vehicles Leased for Use in This State. Any vehicle owned by a nonresident owner not registered in this State, which vehicle is leased or rented to a user having an established place of business or residence in California, for use on California highways, shall be subject to registration either by the owner or lessee of the vehicle, unless such vehicle is a two-wheel semitrailer offered for short-term lease to operators of private motor vehicles for the purpose of transporting the lessee's personal property and does not exceed (a) maximum unladen weight of 1,000 pounds, (b) a maximum gross vehicular weight of 2,500 pounds, (c) a maximum outside width of 80 inches, and (d) a maximum loading area of 48 square feet, and is registered in the state, District of Columbia, territory, province or country in which the owner has his residence, or unless such vehicle is exempted from registration by the provisions of this chapter or under any agreement, arrangement, or declaration made pursuant to Section 218. Nonresident vehicles leased for use in State

SEC. 5. Section 218 is added to said code, to read:

218. Reciprocity Agreements, Arrangements, and Declarations. (a) The Reciprocity Commission shall have the power to enter into agreements or arrangements with duly authorized representatives of other states, the District of Columbia, territories or possessions of the United States and foreign states, provinces or countries granting exemption to owners or persons entitled to the possession of or right to operate vehicles of the type as described in subdivision (a) of Section 215 which are properly registered or licensed in such jurisdictions, and upon which evidence of registration is conspicuously dis- Reciprocal exemption agreements and arrangements

played, from the payment, wholly or partially, of any vehicle license, registration, or weight fees imposed under this code and Division 2, Part 5, Revenue and Taxation Code. Such agreements or arrangements shall contain provisions by which owners or persons entitled to the possession of or right to operate any such vehicles registered or licensed in this State who operate vehicles of the same type upon the highways of such other states, the District of Columbia, territories or possessions of the United States and foreign states, provinces or countries may receive substantially equivalent exemptions, benefits and privileges, under terms and conditions which, in the commission's judgment, are best calculated to promote the interests of this State, as are extended to such persons or owners of vehicles of the same type from such jurisdictions in this State. It shall be incumbent upon the commission, whenever practicable, to enter into agreements or arrangements for the proportionate registration and licensing of vehicles under the provisions of Section 219.

Exemption
from regis-
tration in
participating
states

(b) Agreements or arrangements entered into under the authority herein granted may contain provisions authorizing an owner or owners or persons entitled to the possession of or right to operate vehicles of the type referred to in subdivision (a) of Section 215 who are residents of one of the states, district, territories or possession of the United States or foreign states, provinces or countries which is a party thereto to register or license such vehicles in another jurisdiction which is a party thereto. Vehicles registered or licensed in one of such jurisdictions under such provision shall be exempt from registration or licensing requirements in the other jurisdiction or jurisdictions which are parties thereto and shall be entitled to all exemptions, benefits and privileges granted with respect to other vehicles registered or licensed in such jurisdiction.

Withdrawal
of privileges

(c) Agreements or arrangements entered into under the authority herein granted may contain provisions denying the exemptions, benefits and privileges granted thereunder to any person who violates conditions stated therein or who violates rules and regulations for the administration of reciprocal exemptions, benefits and privileges issued by the Reciprocity Commission.

States un-
authorized
to make
agreements

(d) The Reciprocity Commission is authorized to examine the legal requirements of motor vehicle registration, license and weight fee statutes of jurisdictions which grant reciprocal privileges to out-of-state owners or persons but which do not authorize negotiation or execution of agreements by administrative officials and it is authorized to determine, by such examination, and to declare the extent and nature of the reciprocal exemptions, benefits and privileges to which owners of vehicles of the type as described in subdivision (a) of Section 215 or other persons from such jurisdictions shall be entitled under the laws of this State.

Approval,
effective
date, filing

(e) All agreements, arrangements, declarations and rules and regulations authorized by this act shall be in writing and

shall be approved by endorsement by Attorney General as to legality only, at which time they will become effective, and shall remain in effect until revoked by act of the commission. Original copies of such agreements, arrangements, declarations and rules and regulations shall be filed in the Office of the Director of Motor Vehicles who shall make copies available to the public upon request.

(f) The commission shall report all of its transactions under Reports this section annually to the Legislature.

SEC. 6. Section 219 is added to said code, to read:

219. Proportionate Registration and Licensing. (a) Any person engaged in operating fleets of three or more vehicles of the type as described in subdivision (a) of Section 215 in this State in interstate commerce, which for the purpose of this section means operation during each year in two or more states, districts, possessions, or territories of the United States, or foreign states, provinces, or countries, may, in lieu of registration of such vehicles under the general provisions of Divisions 3 and 6 of this code and Division 2, Part 5, Revenue and Taxation Code, register and license each such fleet for operation in this State by filing a verified application with the department declaring the total mileage operated with each such fleet of vehicles in all such jurisdictions and the total mileage operated in this State during the preceding calendar year, or a preceding 12-month period as determined by the department, with each such fleet and describing and identifying each vehicle in each fleet to be operated in this State during the ensuing license year. Such application shall also designate a sufficient number of certain vehicles in each fleet to be registered and licensed under Divisions 3 and 6 of this code and Division 2, Part 5, Revenue and Taxation Code, to produce total fee payments not less than an amount obtained by applying the proportion of in-state fleet miles to total fleet miles, as defined in subdivision (b) hereof, as reported in said application, to the fees which would otherwise be required for complete licensing and registration of such fleet in this State. An application filed pursuant to this section with respect to fees due and payable on or before the next following fourth day of February may be filed with the department on or after November 1st. The department, notwithstanding the provisions of Section 143.5 of this code, shall register and issue a license plate or plates for such designated vehicles and shall issue distinctive stickers or other suitable devices for each other vehicle named in said application identifying it as an interstate fleet vehicle which shall be exempt from all further license, registration, and weight fee requirements of this State for any type of movement or operation; provided, that each of such vehicles is properly and duly licensed and registered in some other state, district, possession, or territory of the United States or some foreign province, state or country. A fee of two dollars (\$2) shall be paid for each such sticker or device issued. The proportional registration and licensing provisions of this section

Registration
of interstate
fleets
Applications

shall apply to vehicles added to said fleet and operated in this State during the license year. Nonresidents shall be entitled to proportional registration hereunder unless the terms and conditions of any reciprocity agreement, arrangement, or declaration filed in the Office of the Director of Motor Vehicles under the provisions of Section 218 require otherwise.

"Total fleet miles"

(b) "Total fleet miles" for the purpose of proration under subdivision (a) includes total fleet miles in this State, in other jurisdictions having proportionate registration and licensing provisions, in jurisdictions with which this State has reciprocity, either under Section 215 or pursuant to a reciprocal agreement, arrangement, or declaration under Section 218, and in such other jurisdictions which the department determines should be included under the circumstances in order to protect or promote the interests of this State.

Determination of mileage proportions

(c) Mileage proportions for such interstate fleets not operated in this State during the preceding year shall be determined by the department upon verified application on forms to be supplied by the department, upon request, which will show the operations of the preceding year in other jurisdictions and the estimated operation in this State. If no operations were conducted the previous year a full statement of the proposed method of operation shall accompany said application.

Computation of penalties

(d) Any penalties for delinquency in payment of fees under Section 378 of this code and Section 10854 of the Revenue and Taxation Code shall be computed with respect to the fees required to be paid pursuant to this section if the fleet operator elects to pay fees pursuant to this section.

Records, audits, etc

(e) Any person complying with the provisions of this section shall preserve the records on which the application is based for a period of four full years following the year upon which said application is based and such applicant shall agree to make such records available to the department at its request and at its designated office for audit as to accuracy of computation and payments, or to pay the costs of an audit by the department or its duly appointed representative at the applicant's home office. If the department determines that the applicant should have registered more vehicles in this State under provisions of this section, the department may deny him the right of any further benefits by reason of any reciprocal agreement or declaration until the fees for such additional vehicle or vehicles which should have been registered have been paid. The fees determined to be due and owing under the provisions of this subdivision shall be a lien upon all vehicles of the applicant of a type subject to registration under this code and such lien shall attach at the time the audit report has been mailed to such applicant by the department and shall have the effect of an execution duly levied on such vehicles and shall so remain until said additional fees, so determined, are paid or a sufficient number of such vehicles sold for the payment thereof. At least 10 days prior to any such

sale, notice thereof shall be given to any person appearing of record to have an interest in any such vehicle, by registered mail addressed to such person at the address indicated in such record.

(f) Vehicles of the type as described in subdivision (a) of Section 215 of nonresidents subject to registration and not entitled to exemption from registration or licensing under any of the provisions of this code or any agreements, arrangements or declarations made under the provisions of Section 218 may, if properly registered in another state, District of Columbia, territory, country, or province, secure a temporary permit to operate in this State for a period of not to exceed 90 days upon payment of one-tenth of the appropriate fees in Divisions 3 and 6 of this code and Division 2, Part 5, Revenue and Taxation Code applicable thereto for each 30-day period or fraction thereof that such vehicle is to be so operated in this State. Such permit shall be carried in such vehicle at all times while it is being operated in this State. Temporary permits

(g) This section shall become operative with respect to fees due and payable without regard to this section on and after January 1, 1956, but this shall not prevent the department from taking such administrative action prior to such operative date as will facilitate the operation of this section. Operative date

(h) The Legislature declares that in enacting this Section 219, it adheres to the principle that each state should have the freedom to develop the kind of highway user tax structure that it determines to be most appropriate to itself, that the method of taxation of interstate vehicles should not be a determining factor in developing its user tax structure, and that annual taxes or other taxes of the fixed fee type which are not imposed on a basis that reflects the amount of highway use should be apportioned among the states, within limits of practicality, on the basis of vehicle miles traveled within each of the states. Legislative declaration

CHAPTER 1003

An act to add Section 70045.6 to the Government Code, relating to court reporters.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 70045.6 is added to the Government Code, to read:

70045.6. In a county with a population of over 220,000 and under 230,000, each regular reporter shall be paid an annual salary of six thousand dollars (\$6,000), and each pro tempore official reporter shall be paid twenty-five dollars (\$25) a day for the days he actually is on duty under order of the court. In such a county the fee required by Section 70053 shall be five dollars (\$5). Kern County
Superior
Court
reporters

CHAPTER 1004

An act to amend Section 420 of the Education Code, relating to public officers of a county of the twentieth class.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 420 of the Education Code is amended to read:

Sonoma
County Su-
perintendent
of Schools
Salary

420. The annual salary of the county superintendent of schools of a county of the twentieth class is nine thousand dollars (\$9,000), and he shall possess a valid general administrative credential issued by the State Board of Education.

CHAPTER 1005

An act to amend Section 28157 of the Government Code, relating to compensation for public services in counties of the fifty-seventh class.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 28157 of the Government Code is amended to read:

Mono County
officers
Salaries

28157. In a county of the fifty-seventh class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, two thousand four hundred dollars (\$2,400) a year.

(b) The district attorney, five thousand dollars (\$5,000) a year.

(c) Each supervisor, one thousand eight hundred dollars (\$1,800) a year and twenty cents (\$0.20) a mile one way to board meetings.

(d) Jurors' fees shall be as follows: for each day's attendance as a grand juror or trial juror in the superior court four dollars (\$4), and fifteen cents (\$0.15) for each mile actually traveled in attending court as such juror, in going only. The county clerk shall certify to the auditor the number of days' attendance and number of miles traveled by each juror. The auditor shall draw his warrant therefor, and the treasurer shall pay the warrant.

The compensation provided by this section shall be payable to incumbent officers.

SEC. 2. If it is not legally competent to pay the compensation provided by this act to incumbent officers on the effective date of this act, such increase in compensation shall, nevertheless, be payable to the officers designated in this act as soon as it is legally competent to do so. Incumbents

CHAPTER 1006

An act to amend Section 28147 of the Government Code, and to amend Section 447 of the Education Code, relating to compensation for public service in counties of the forty-seventh class.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28147 of the Government Code is amended to read:

28147. In a county of the forty-seventh class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums: Inyo County
officers
Salaries

(a) The auditor, five thousand four hundred dollars (\$5,400) a year.

(b) The district attorney, six thousand seven hundred twenty dollars (\$6,720) a year for his services. He may engage in the private practice of law.

(c) Each supervisor, two thousand one hundred dollars (\$2,100) a year and thirty cents (\$0.30) a mile one way in attending the meetings of the board.

(d) Jurors shall receive the following fees and mileage:

For attending as a grand juror or as a trial juror in the superior court, for each day's actual attendance three dollars (\$3), and twenty cents (\$0.20) for each mile actually traveled, in going only; for attending as a trial juror in the justice court, in civil cases only, for each day's actual attendance two dollars (\$2), and twenty cents (\$0.20) for each mile actually traveled, in going only. The fees of jurors shall be paid to them on each day during the period of their attendance, if demanded, and the mileage shall be paid at the time the fee for the first day's attendance is paid.

SEC. 2. Section 447 of the Education Code is amended to read:

447. The annual salary of the county superintendent of schools of a county of the forty-seventh class is seven thousand two hundred dollars (\$7,200), and he shall possess a valid elementary administrative credential issued by the State Board of Education. County su-
perintendent
of schools

CHAPTER 1007

An act to amend Section 28158 of the Government Code, relating to compensation for public services in counties of the fifty-eighth class.

In effect
September
7, 1955

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 28158 of the Government Code is amended to read:

Alpine
County
officers
Salaries

28158. In a county of the fifty-eighth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, two thousand dollars (\$2,000) a year.

(b) The district attorney, three thousand nine hundred dollars (\$3,900) a year.

(c) Each supervisor, six hundred dollars (\$600) a year, and twenty cents (\$0.20) a mile for traveling from his residence to the county seat, going only. Only one mileage shall be allowed for any regular session of the board.

(d) Each grand juror, seven dollars (\$7), and each trial juror in the superior court five dollars (\$5) for each day's attendance, and thirty cents (\$0.30) for each mile actually traveled one way as such juror. The per diem and mileage of the jurors shall be paid by the treasurer out of the general fund of the county upon warrants drawn by the auditor upon the written order of the judge of the superior court.

Incumbents

SEC. 2. If it is not legally competent to pay the compensation provided by this act to incumbent officers on the effective date of this act, such increase in compensation shall nevertheless be payable to the officers designated in this act as soon as it is legally competent to do so.

CHAPTER 1008

An act to repeal Article 4, Chapter 5, Part 1, Division 2, of Title 4, comprising Sections 54090 to 54116 inclusive, except Sections 54096 to 54102, inclusive, 54104 to 54107, inclusive, 54111 to 54116, inclusive, as related to Article 4.5, Chapter 5, Part 1 of Division 2 of Title 5 of the Government Code, relating to the reconstruction of buildings belonging to a local agency which have been wholly or partially destroyed by earthquakes after January 1933 and providing for the transfer of moneys to the General Fund.

In effect
September
7, 1955

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

Repeals

SECTION 1. Article 4, Chapter 5, Part 1, Division 2, of Title 4, comprising Sections 54090 to 54116, inclusive, except

Sections 54096 to 54102, inclusive, 54104 to 54107, inclusive, 54111 to 54116, inclusive, as related to Article 4.5, Chapter 5, Part 1 of Division 2 of Title 5, of the Government Code is hereby repealed.

SEC. 2. The Controller shall transfer any moneys remaining in the Public Buildings Reconstruction Fund to the General Fund. Transfer of
moneys

CHAPTER 1009

An act to amend Section 72151 of the Government Code, relating to municipal courts.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 72151 of the Government Code is amended to read:

72151. The additional deputies shall be selected in the same manner as those for whom express provision is made, and they shall receive compensation from the same source and in the same amount as the salary provided by law for the position of deputy clerk or deputy marshal of such court, respectively, but may hold office by virtue of such appointment not longer than 90 days after the adjournment of the next regular session of the Legislature. Where the provisions of law applicable to the particular municipal court provide for increments of salary after a specified period of service, additional deputies employed pursuant to Section 72150 and this section shall receive credit toward such increments for service performed pursuant to these sections. No deputy so temporarily appointed shall be eligible for reappointment pursuant to this article, unless the increase in business of the court or other emergency for which the appointment has been made is deemed by the judge or judges to still exist, in either of which case such deputy or deputies may receive one reappointment, to be made as in the case of an original appointment.

CHAPTER 1010

An act to amend Sections 8703.1 and 8819.1 of the Education Code, relating to summer schools.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8703.1 of the Education Code is amended to read:

Summer
schools.
High schools

8703.1. The governing board of a district maintaining one or more high schools may maintain a summer school at any of such high schools during the period between the close of one academic year and the beginning of the succeeding academic year in accordance with rules and regulations of the State Board of Education and with the prior written approval of the Superintendent of Public Instruction.

The term "academic year" as used in this section means that portion of the school year during which the regular day high school is maintained, which period must include not less than the number of days of teaching required to entitle the district to apportionments of state funds.

Junior
colleges

SEC. 2. Section 8819.1 of said code is amended to read:

8819.1. The governing board of a district maintaining one or more junior colleges may maintain a summer school at any of such junior colleges during the period between the close of one academic year and the beginning of the succeeding academic year in accordance with rules and regulations of the State Board of Education and with the prior written approval of the Superintendent of Public Instruction.

The term "academic year" as used in this section means that portion of the school year during which the regular day junior college is maintained, which period must include not less than the number of days of teaching required to entitle the district to apportionments of state funds.

CHAPTER 1011

An act to amend Sections 1800, 1801, 1803, 1804, 1805, 1807, 1809, 1810, and 12100 of, and add Section 1809.1 to, the Financial Code, relating to the transmission of money.

In effect
September
7, 1955

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1800 of the Financial Code is amended to read:

Transmission
of money
abroad

1800. No person except (a) a bank or trust company or a foreign banking corporation licensed to do business in this State, or (b) an incorporated railroad, steamship, or express company, or (c) a partnership, corporation, or joint stock company or association actually engaged in international operation in the general travel and tourist business, shall engage in the business of receiving money for the purpose of transmitting the same or its equivalent to foreign countries. The provisions of this article shall also apply to the business of those persons hereinabove specified and described which consists of receiving money for the purpose of transmitting the same within the United States by an instrument or order

drawn upon and directed to the person receiving the money for transmission. The provisions of this article shall not apply to the receipt of money by an agent of an incorporated telegraph company at any regular office of such company for immediate transmission by telegraph. A qualified company engaged in the business of receiving money for the purpose of paying to others, bills, invoices or accounts of an obligor, or selling or cashing checks, including travelers' cheques, drafts, or money orders, or receiving money for the purpose of transmitting the same within the United States by an instrument or order drawn upon and directed to the person receiving the money for transmission, shall pay to the superintendent annually on or before July 1st twenty dollars (\$20) for each branch office and three dollars (\$3) for each agency at which money is received for the purpose of paying the bills, invoices or accounts of an obligor or at which such instruments are cashed or sold, excluding any agency at which only travelers' cheques are cashed or sold.

SEC. 2. Section 1801 of said code is amended to read:

1801. Every railroad, steamship, or express company, and every partnership, corporation, or joint stock company or association engaging in the business or businesses described in Section 1800 shall first obtain the license from the superintendent and shall pay annually on or before July 1st a license fee of two hundred fifty dollars (\$250). The superintendent in his discretion may grant or refuse such license and may at any time revoke any such license. For the purposes of this article, "qualified company" means any company, partnership, corporation, or joint stock company or association licensed pursuant to this section.

License

"Qualified company"

SEC. 3. Section 1803 of said code is amended to read:

1803. Each qualified company shall file with the superintendent annually on or before July 1st a verified report, in such form as the superintendent may prescribe, showing in such detail as he may require its business and transactions during the preceding calendar year relative to the receipt and transmission of money.

Verified report

SEC. 4. Section 1804 of said code is amended to read:

1804. The superintendent may at any time and from time to time examine the business of any agent in order to ascertain whether such business is being conducted in a lawful manner and whether all moneys received for transmission are properly accounted for. Each agent shall keep his books, records, and accounts in such form and manner as the superintendent may prescribe. The expense of the superintendent in making any such examination of an agent shall be paid to the superintendent on his demand by the company represented by such agent.

Examination

SEC. 5. Section 1805 of said code is amended to read:

1805. Each qualified company shall file with the superintendent a certified copy of every receipt form used by it or by its agents for money received for transmission. No such

Copy of forms

company or its agents shall use any receipt a certified copy of which has not first been filed with the superintendent. Any company violating the requirements of this section shall be subject to a fine of fifty dollars (\$50) for each violation. If any such company or its agent uses a receipt form a certified copy of which has not first been filed with the superintendent, such company shall be liable for the acts of its agents whether or not the company authorized the agent to use such form.

SEC. 6. Section 1807 of said code is amended to read:

Surety

1807. As security for the faithful performance of its obligations, each qualified company before engaging in the business of transmitting money shall deposit with the State Treasurer fifty thousand dollars (\$50,000) in lawful money, or securities of the kind which may be deposited by trust companies to secure court and private trusts under Section 1542 having a market value of at least fifty thousand dollars (\$50,000), or money and such securities amounting in the aggregate to at least fifty thousand dollars (\$50,000). Such deposit shall be made in the manner specified in and shall be subject to the provisions of Section 1752.

SEC. 7. Section 1809 of said code is amended to read:

Same

1809. The money and securities deposited with the State Treasurer pursuant to Section 1807 and the proceeds of any bond held by the State Treasurer pursuant to Section 1808 shall constitute a trust fund for the benefit of such persons as shall deliver to any such qualified company or its agent money for transmission. Suit to recover on any such bond may be brought by any party aggrieved in a court of competent jurisdiction of any county in which such company has an agent. The service of summons on any agent of such company shall constitute service upon such company.

SEC. 8. Section 1809.1 is added to said code, to read:

Fees for
cashing or
selling
checks

1809.1. No qualified company engaged in the business of selling or cashing checks, including travelers' cheques, drafts, or money orders within the United States or receiving money for the purpose of transmitting the same within the United States by an instrument or order drawn upon and directed to the person receiving the money for transmission, shall charge a fee for selling or cashing such instruments, except travelers' cheques, in excess of one-half of 1 percent of the face amount thereof or thirty-five cents (\$0.35), whichever is greater.

SEC. 9. Section 1810 of said code is amended to read:

Penalty

1810. Any person, other than an authorized officer or employee of a bank or trust company or of a foreign banking corporation licensed to do business in this State or an agent of a qualified company, who represents that he is authorized to receive, or who solicits or receives, money or the equivalent thereof for transmission is guilty of a misdemeanor.

SEC. 10. Section 12100 of said code is amended to read:

Exemptions

12100. The provisions of this division do not apply to any of the following:

(a) Persons or their authorized agents doing business under license and authority of the Superintendent of Banks of the State of California, or under any law of this State or of the United States relating to banks, trust companies, building or savings and loan associations, industrial loan companies, personal property brokers, credit unions, or California small loan companies.

(b) Persons or their authorized agents engaged in the business of paying to others bills, invoices, or accounts of an obligor, or of selling or cashing checks, including travelers' cheques, drafts, or money orders issued by a person who has been licensed under and complied with, and continues to be licensed under and complies with, Article 3 of Chapter 14 of Division 1 of this code.

(c) Attorneys at law or their authorized agents.

(d) Persons or their authorized agents licensed as a collection agency or a merchant owned nonprofit credit association.

(e) Any transaction in which money or other property is paid to a "joint control agent" for dispersal or use in payment of the cost of labor, materials, services, permits, fees, or other items of expense incurred in construction of improvements upon real property.

CHAPTER 1012

An act to add Section 11528.1 to the Business and Professions Code, relating to proposed subdivisions of real estate.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 11528.1 is added to the Business and Professions Code, to read:

11528.1. The State Department of Public Works may file with the governing body of any city or county having jurisdiction, a map or an amended map of any territory within one mile on either or both sides of said state highway routing in which territory it believes subdivision development would have an effect upon an existing state highway or a future state highway the route of which has been adopted by the California Highway Commission.

The clerk of the governing body or the advisory agency of the city or county having jurisdiction shall issue a receipt for the territorial map and thereafter shall transmit to the district office of the Division of Highways of said department in the district in which the proposed subdivision is located, within three days after the receipt thereof, one copy of each tentative map of any subdivision located wholly or partly within the territory outlined on the territorial map.

The department, upon receiving a copy of the tentative map, may, within 15 days after receipt thereof, make recommendations to the appropriate agency of the city or county in connection therewith regarding the effect of the proposed subdivision upon said highway or highway route.

CHAPTER 1013

An act to amend Sections 8769, 11000, and 11535 of, and to add Section 11004 to, the Business and Professions Code, relating to real estate subdivisions.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 11000 of the Business and Professions Code is amended to read:

"Subdivided
lands."
"subdivi-
sion"

11000. "Subdivided lands" and "subdivision" refer to improved or unimproved land or lands divided or proposed to be divided for the purpose of sale or lease, whether immediate or future, into five or more lots or parcels; provided, however, that land or lands sold by lots or parcels of not less than 160 acres which are designated by such lot or parcel description by government surveys and appear as such on the current assessment roll of the county in which such land or lands are situated shall not be deemed to be "subdivided lands" or "a subdivision" within the meaning of this section, unless such land or lands are divided or proposed to be divided for the purpose of sale for oil and gas purposes, in which case such land or lands shall be deemed to be "subdivided lands" or "a subdivision" within the meaning of this section; and provided further, this chapter does not apply to the leasing of apartments, offices, stores, or similar space within an apartment building, industrial building, or commercial building, except that the leasing of apartments in a community apartment project, as defined in Section 11004, shall be subject to the provisions of this chapter.

SEC. 2. Section 11004 is added to said code, to read:

Community
apartment
project

11004. A community apartment project in which an undivided interest in the land is coupled with the right of exclusive occupancy of any apartment located thereon is subject to the provisions of this part.

SEC. 3. Section 11535 of said code is amended to read:

"Subdivi-
sion"

11535. (a) "Subdivision" refers to any real property, improved or unimproved, or portion thereof, shown on the latest adopted county tax roll as a unit or as contiguous units, which is divided for the purpose of sale or lease, whether immediate or future, by any subdivider into five or more parcels within any one-year period; provided, that this chapter shall not

apply to the leasing of apartments, offices, stores, or similar space within an apartment building, industrial building, or commercial building, nor shall this chapter apply to mineral, oil or gas leases.

(b) "Subdivision" does not include either of the following:

(1) Any parcel or parcels of land in which all of the following conditions are present: (i) which contain less than five acres, (ii) which abut upon dedicated streets or highways, (iii) in which street opening or widening is not required by the governing body in dividing the land into lots or parcels, and (iv) the lot design meets the approval of the governing body.

(2) Any parcel or parcels of land divided into lots or parcels, each of a net area of one acre or more, a tentative map of which has been submitted to the governing body and has been approved by it as to street alignment and widths, drainage provisions and lot design.

(c) In either case provided in subsection (b) of this section, there shall be filed a record of survey map pursuant only to the provisions of Chapter 15 of Division 3 of this code and conveyances may be made of lots or parcels shown on such map by lot or block number, initial, or such other designation as may be shown on such map.

(d) Nothing contained in this chapter shall apply to land dedicated for cemetery purposes under the Health and Safety Code of the State of California.

SEC. 4. Section 8769 of said code is amended to read:

8769. The charge for filing any record of survey, and for Fee indexing the same, shall be five dollars (\$5).

CHAPTER 1014

An act to amend Section 409 of the Education Code, relating to compensation for public service in counties of the ninth class.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 409 of the Education Code is amended to read:

409. The annual salary of the county superintendent of schools of a county of the ninth class is twelve thousand five hundred dollars (\$12,500), and he shall possess a valid general administrative credential issued by the State Board of Education.

Fresno
County Su-
perintendent
of Schools
Salary

CHAPTER 1015

An act to add Section 1257 to the Water Code, relating to the appropriation of water.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1257 is added to the Water Code, to read:

1257. In acting upon applications to appropriate water, the department shall consider the relative benefit to be derived from all uses of the water concerned.

CHAPTER 1016

An act to add Section 7362 to the Business and Professions Code, relating to permanent wavers.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 7362 is added to the Business and Professions Code, to read:

7362. A permanent waver may cleanse, dress, cut, and brush hair, whether done in connection with waving of hair or separately.

CHAPTER 1017

An act to amend Sections 7109.1, 7112, 7113, 7114, 7119, 7121.2, 7123, and 7124 of, and to repeal Section 7119.1 of the Education Code and Section 16.6 of Chapter 1510 of the Statutes of 1953, relating to State School Fund apportionments, declaring the urgency thereof, to take effect immediately.

In effect
immediately

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 7109.1 of the Education Code is amended to read:

Attendance
reports

7109.1. The governing board of each school district shall report to the Superintendent of Public Instruction during each

fiscal year, as herein provided, the average daily attendance in the regular day schools of the district for all full school months in the fiscal year during (1) the period between July 1st and December 31st, inclusive, hereinafter referred to as the "first period," (2) the period between the end of the last full school month of the first period and May 1st, inclusive, hereinafter referred to as the "second period," and (3) each of the same periods that were reported during the preceding fiscal year. Such report with respect to the first period shall be filed with the Superintendent of Public Instruction on or before the next succeeding January 20th and with respect to the second period shall be filed with the Superintendent of Public Instruction not later than the next succeeding May 10th. Each report shall be made in such form as shall be prescribed and furnished by the Superintendent of Public Instruction.

SEC. 2. Section 7112 of said code is amended to read:

7112. If the total amount allowed from the State School Fund to all elementary school districts, county school service funds, and county school tuition funds under Articles 5, 6, 7, and 11 of this chapter on account of average daily attendance during the preceding fiscal year credited to all kindergarten and elementary schools in the state and county school tuition funds on account of elementary school pupils is less than the total amount provided in subdivision (b) of Section 7111, the balance shall be used to increase proportionately the allowances made to which Sections 7116 and 7117 applied. The increased allowances shall not exceed the amounts computed under Articles 5, 6, 8, 9, 11, and 11.1 of this chapter. The total increase for all high school or all junior college districts shall not exceed an amount that bears the same ratio to the total balance as the amount of the reduction for such districts under Section 7116 or 7117 bears to the total amount of the reduction. Any portion of the balance remaining after the computations required by this section shall be allowed pursuant to Section 7119.

Increased
allowances
Elementary
school
districts

SEC. 3. Section 7113 of said code is amended to read:

7113. If the total amount allowed from the State School Fund to all high school districts, county school service funds, and county school tuition funds under Articles 5, 6, 8, 11, and 11.1 of this chapter on account of average daily attendance during the preceding fiscal year credited to all high schools in the state and county school tuition funds on account of high school pupils is less than the total amount provided in subdivision (c) of Section 7111, the balance shall be used to increase proportionately the allowances made to which Sections 7115 and 7117 applied. The increased allowances shall not exceed the amounts computed under Articles 5, 6, 7, 9, 11, and 11.1 of this chapter. The total increase for all elementary or all junior college districts shall not exceed an amount that bears the same ratio to the total balance as the amount of the reduc-

Same:
High school
districts

tion for such districts under Section 7115 or 7117 bears to the total amount of the reduction. Any portion of the balance remaining after the computations required by this section shall be allowed pursuant to Section 7119.

SEC. 4. Section 7114 of said code is amended to read:

Same
Junior col-
lege districts

7114. If the total amount allowed from the State School Fund to all junior college districts and county school service funds under Articles 5, 9, 11, and 11.1 of this chapter on account of average daily attendance during the preceding fiscal year credited to all junior college schools in the State is less than the total amount provided in subdivision (d) of Section 7111, the balance shall be used to increase proportionately the allowances made to which Sections 7115 and 7116 applied. The increased allowances shall not exceed the amounts computed under Articles 5, 6, 7, 8, 11, and 11.1 of this chapter. The total increase for all elementary or all high school districts shall not exceed an amount that bears the same ratio to the total balance as the amount of the reduction for such districts under Section 7115 or 7116 bears to the total amount of the reduction. Any portion of the balance remaining after the computations required by this section shall be allowed pursuant to Section 7119.

SEC. 5. Section 7119 of said code is amended to read:

Allowance
of balance

7119. If the total amount allowed county school service funds under Article 2 of this chapter is less than the amounts provided by Section 7001 the balance shall be added to the balances resulting from the application of Sections 7019, 7109.43, 7112, 7113, 7114, 7118, and subdivision (b) of Section 7121.2, and the total of such balances shall be used as follows:

(a) First, to increase proportionately the allowances made to which Sections 7115, 7116, and 7117 applied. The increased allowances shall not exceed the amounts computed under Articles 5, 6, 7, 8, 9, 11, and 11.1 of this chapter. The total increase for all elementary, or all high school, or all junior college districts shall not exceed an amount that bears the same ratio to the total balance as the amount of the reduction for such districts under Section 7115, 7116, or 7117 bears to the total amount of the reduction.

(b) Second, to restore, in the order herein listed, the amounts reduced under Sections 7109.41, 7109.42, subdivision (a) of Section 7019, subdivision (d) of Section 7018.1, 7101.3, 7102.3, and 7103.3.

(c) Thereafter, to allow any remaining balance as additional state equalization aid to the districts that were allowed state equalization aid pursuant to Article 11 of this chapter during the then current fiscal year. The amount of additional state equalization aid allowed each such district for each unit of average daily attendance shall be determined by dividing such remaining balance by the average daily attendance of all districts receiving equalization aid.

Repeal

SEC. 6. Section 7119.1 of said code is repealed.

SEC. 7. Section 7121.2 of said code is amended to read:

7121.2. (a) If by November 10th of any current fiscal year, an additional teacher or teachers are hired for a school in a district from which a withholding was made pursuant to Section 7121.1 and the school fully meets the requirements of the appropriate subdivision of Section 7032 or 7034, the Superintendent of Public Instruction shall apportion at the time the apportionment under Section 7122 is made to the district the amount withheld. Additional teachers

(b) In the event that more money is withheld pursuant to Section 7121.1 than is apportioned pursuant to subdivision (a) of this section, the balance shall be allowed pursuant to Section 7119.

SEC. 8. Section 7123 of said code is amended to read:

7123. (a) The Superintendent of Public Instruction shall on or before February 20th for the first period of each fiscal year apportion to each elementary, high school, and junior college district the amount allowed to each district under Article 15 of this chapter. This apportionment shall be called the First Period Growth Apportionment. First Period Growth Apportionment

(b) He shall on or before June 25th for the second period of each fiscal year apportion to each elementary, high school, and junior college district the amount allowed to each district under Article 15 of this chapter. This apportionment shall be called the Second Period Growth Apportionment. Second Period Growth Apportionment

SEC. 9. Section 7124 of said code is amended to read:

7124. The Superintendent of Public Instruction shall on or before June 25th of each year apportion to each school district or fund the total of the amounts allowed to the district or fund under Section 7119 of Article 16 of this chapter. This apportionment shall be called the Final Apportionment. Final Apportionment

SEC. 10. Section 16.6 of Chapter 1510 of the Statutes of 1953 is repealed. Repeal

SEC. 11. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are: Urgency

Under existing law any surpluses that occur in the State School Fund are apportioned as additional elementary equalization aid. During the last year large deficits occurred in apportionments for growth and transportation and deficit factors had to be applied. It is expected that large deficits will occur in the Fiscal Year 1955-56. Computations for the 1955-56 Fiscal Year apportionments must be made during the months of July, August, and September in order that the state school apportionment may be certified by September 25, 1955. In order that surpluses occurring in the State School Fund apportionments may be applied to deficits during the 1955-56 Fiscal Year, it is necessary that this act take effect immediately.

SEC. 12. This act shall become operative on July 1, 1955. Operative date

CHAPTER 1018

An act to amend Section 12.5 of the Santa Clara County Flood Control and Water Conservation District Act, relating to the Santa Clara County Flood Control and Water Conservation District.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 12.5 of the Santa Clara County Flood Control and Water Conservation District Act is amended to read:

Sec. 12.5. As soon as is practicable after the establishment of any zone, the board shall appoint an advisory zone committee consisting of three (3) persons who are registered voters and property owners in the zone for which they are appointed to assist and advise said board in the institution of projects or works of improvement within the zone for which they are appointed. The board shall also appoint an advisory committee for the district to advise and assist the board on matters common to the district as a whole, including but not limited to the correlation and integration of zone projects. The board shall appoint at least one (1) member of each zone committee to positions on the district committee; provided, however, that the membership of the district committee shall not exceed seven (7) in number. Members of zone committees and the district committee shall serve at the pleasure of the board.

CHAPTER 1019

An act to amend Sections 14396, 14397, and 14399 of the Government Code, relating to performance of state contracts.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14396 of the Government Code is amended to read:

Completion
after
termination

14396. Upon such termination, the director may take possession of and use all or any part of the contractor's materials, tools, equipment, and appliances upon the premises to complete the contract. Thereupon, he may permit the surety to complete or cause the contract work to be completed, or he may direct that all or any part of the work be completed by day's labor or by employment of other contractors on informal contracts, or both.

SEC. 2. Section 14397 of said code is amended to read:

14397. Such informal contracts may be awarded only after a proposal form has been prepared, a copy is served upon the contractor whose control has been terminated, and upon his surety, and three days allowed thereafter so that he may cause others to bid. Any person who is prequalified therefor under Article 4 may bid on informal contracts.

Award of
informal
contracts

SEC. 3. Section 14399 of said code is amended to read:

14399. If the control of a contractor is terminated or he abandons the work, and the work is performed by day's labor or informal contract as provided in Section 14396, he is not entitled to receive any portion of the amount to be paid under the contract until it is fully completed. After completion, if the unpaid balance exceeds the sum of the amount expended by the State in finishing the work, plus all damages sustained or to be sustained by the State, the excess not otherwise required by law to be retained shall be paid to the contractor, but if such sum exceeds the unpaid balance, the contractor and his surety are liable to the State for the excess. If the surety completes the contract work, as provided in Section 14396, such surety shall be subrogated to money due under the contract and to money which shall become due in the course of completion by the surety, to the extent provided by law.

Compensation for
completion
after
termination

CHAPTER 1020

An act to repeal Section 9123 of, and to add Article 10, comprising Sections 9141 to 9143, inclusive, to Chapter 7 of Division 4 of, the Education Code, relating to teaching service and opportunity centers for the blind.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 9123 of the Education Code is repealed. Repeal

SEC. 2. Article 10 is added to Chapter 7 of Division 4 of said code, to read:

Article 10. Teaching Service and Opportunity Centers for the Adult Blind

9141. The Department of Education may appoint field officers or field workers to teach handicrafts to the adult blind of the State in their homes, in opportunity centers, or in other suitable places, and to give them such other instruction as may ameliorate their condition.

Instruction
of blind
adults

9142. In connection with the teaching service provided in Section 9141, the Department of Education, with the approval of the Director of Finance, may establish and maintain op-

Opportunity
centers

portunity centers for the blind in communities where the active cooperation of local sponsoring organizations has been secured and in which fifty (50) or more adults who are blind, as blind is defined in Section 9183, indicate a desire to receive instruction in handicrafts and to make or assemble articles for sale in the local community or through the sales facilities of the California Industries for the Blind.

Facilities,
employees,
etc

9143. The Department of Education, with the approval of the Director of Finance, may:

(a) Rent, lease, or otherwise provide suitable rooms or buildings to house the activities of the opportunity centers for the blind.

(b) Employ such employees at the centers as it deems necessary.

(c) Perform all necessary and proper acts to carry out the provisions of Section 9142 and of this section.

CHAPTER 1021

An act to amend Sections 7217 and 7301 of the Education Code, relating to pupils attending school in an adjoining state.

In effect
September
7 1955

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 7217 of the Education Code is amended to read:

Certification
of money
required

7217. The county superintendent of schools shall verify the certificates of attendance and cost of education of pupils attending schools in adjoining states and shall certify to the county auditor and the board of supervisors the amount of money required to be levied as a county school tuition tax. The amount shall not include any costs for the transportation of the pupils in excess of the amounts permitted by this article. The amount shall be determined by subtracting from the total cost of the tuition and transportation allowed under this article, the amount to be apportioned by the Superintendent of Public Instruction, and the amount apportioned by the county superintendent of schools pursuant to Section 7301, to the county school tuition fund during the fiscal year.

SEC. 2. Section 7301 of said code is amended to read:

County forest
reserve
school fund

7301. The county auditor of any county, receiving money from the Government of the United States pursuant to any act of Congress providing for the distribution and payment to states and territories of a fixed and definite percentage of the money received by the Government of the United States from the forest reserves established therein, shall apportion 50 percent of the money received to the credit of the forest reserve school fund of the county.

The money credited to the forest reserve school fund shall be apportioned by the county superintendent of schools with approval of the county board of education to school districts of the county lying within or adjacent to the United States forest reserve and to county superintendents of schools of counties lying within or adjacent to such forest reserve.

All of such money placed in the forest reserve school fund shall be apportioned in the manner prescribed prior to the thirtieth day of June of the fiscal year next following the fiscal year in which received.

When a portion of the area of a county is subject to the jurisdiction of the county superintendent of schools of another county or counties and such portion lies in or adjacent to the United States forest reserve, no apportionment shall be made from the forest reserve school fund without the approval of the county boards of education of both or all counties. In the event that both or all county boards of education do not concur in the apportionments from the forest reserve school fund prior to the first day of April of any year the county superintendent of schools of both or all counties shall on that date notify the Superintendent of Public Instruction who shall, not later than 60 days following notification, make the apportionments. Apportionments made by the Superintendent of Public Instruction are final.

Money apportioned to a school district pursuant to this section shall be deposited by the county auditor to the credit of the several funds of the district as directed by the county superintendent of schools with the approval of the county board of education. Money apportioned to a county superintendent of schools pursuant to this section may be deposited by the county auditor to the credit of the county school tuition fund of his county.

CHAPTER 1022

An act to add Section 6109.1 to the Education Code, relating to the Public School System.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6109.1 is added to the Education Code, to read:

6109.1. In lieu of drawing his warrant as provided in Section 6109, the county auditor may, with the approval of the governing board of the school district, endorse, date, and number the order and requisition and may prepare a separate warrant on the county treasurer for the same amount as the order and requisition. The warrant shall show that it had been drawn on the order of a school district naming the school district and shall show, the payee, date of issue, as well as other information deemed appropriate by the auditor.

The auditor shall draw such separate warrant by signing it and no other signature shall be required. Thereupon the auditor shall transmit the separate warrant to the county superintendent of schools who shall transmit it to the governing board of the school district for issuance to the payee or to his order, or with the approval of the governing board of the school district, shall transmit it to the payee.

The order and requisition may direct the transfer of the amount of the separate warrant from the funds of the district to a clearing fund in the county treasury (to be known as the schools commercial revolving fund), to the end that separate warrants for all districts may be drawn against a single revolving fund.

CHAPTER 1023

An act to add Section 1133 to the Streets and Highways Code, relating to highways.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1133 is added to the Streets and Highways Code to read:

1133. Proceedings to abandon any private or byroad shall be the same as proceedings to abandon any county highway.

CHAPTER 1024

An act to add Section 803.2 to the Fish and Game Code, relating to clams.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 803.2 is added to the Fish and Game Code, to read:

803.2. The commission shall close for the taking of razor clams (*Siliqua patula*) not more than 50 percent of razor clam bearing beaches within or offshore from Del Norte County as a clam preserve or preserves. The commission may from time to time vary the location of the closed and open portions of such beaches.

Before the commission closes, opens, or varies the location of the closed and open portions of razor clam bearing beaches, one or more members of the commission shall hold in the county to be affected a public hearing, notice of which has been published at least once in a newspaper of general circulation, printed and published in that county. The commission

may determine which such newspaper will be most likely to give notice to the inhabitants of such county, and its determination shall be final and conclusive. The commission may authorize the director in its place and stead to hold such hearing in which event a copy of a transcript of all proceedings taken or had at said hearing shall be furnished to each commissioner at least five days before any such order is made by the commission.

CHAPTER 1025

An act to add Section 21337 to the Government Code, relating to the State Employees' Retirement System in respect to benefits payable upon the deaths of local members.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 21337 is added to Article 4 of Chapter 9 of Part 3 of Division 5 of Title 2 of the Government Code, to read:

21337. If a member who is a local fireman or policeman dies prior to retirement but after having qualified for retirement by age and length of service, in circumstances in which the basic death benefit is payable, and leaving a surviving wife or one or more children under age 18, or both, in lieu of the basic death benefit a monthly allowance equal to one-half of the unmodified retirement allowance which the member would have been entitled to receive if he had retired on the date of his death shall be payable:

(a) To the surviving wife of a male member as long as she lives or until her remarriage; or

(b) To the children under age 18 collectively of a female member, or of a male member if there is no surviving wife or if the surviving wife dies or remarries before all children of the deceased member attain age 18, until every child dies or attains age 18, provided that no child shall receive any allowance after marrying or attaining the age of 18.

Where a member does not have a surviving wife nor any children under the age of 18 years at the time of his death, no allowance shall be payable under this section.

A beneficiary under subdivision (a) of this section, or the legal representative of the beneficiaries under subdivision (b) of this section, may elect before the first monthly allowance is paid to receive an amount equal to the basic death benefit in lieu of the benefits provided for herein.

This section shall not apply to any contracting agency nor to the employees of any contracting agency unless and until the agency elects to be subject to its provisions by amendment to its contract with the board, made in the manner prescribed

for approval of contracts, except that an election among the employees is not required, or, in the case of contracts made after the date this section takes effect, by express provision in such contract making the contracting agency subject to the provisions of this section.

CHAPTER 1026

An act to repeal Chapter 7 of Division 4 of the Public Resources Code, relating to logging permits.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 7 of Division 4 of the Public Resources Code is repealed.

CHAPTER 1027

An act to repeal Article 5 of Chapter 2, Division 4 of the Public Resources Code, relating to a brush-burning experiment.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 5 of Chapter 2, Division 4 of the Public Resources Code is repealed.

CHAPTER 1028

An act relating to tidelands, lands lying under inland navigable waters, and swamp and overflow lands, situate in Alameda County, State of California, including without limitation as to the generality thereof, authority for the City of Alameda to convey certain parcels of such lands to the City of Oakland, and to convey certain parcels of such lands to the City of Oakland, in furtherance of navigation and commerce and fisheries, and providing for the government, management, use and control thereof, and reserving certain rights to the State.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

Grant of
tidelands to
City of
Oakland

SECTION 1. There is hereby granted to the City of Oakland, a municipal corporation, and to its successors, all of the right,

title and interest of the State of California held by said State by virtue of its sovereignty in and to all lands, salt marsh, tidelands and submerged lands, whether filled or unfilled, which are included within that portion of the City of Oakland described as follows:

Beginning at a granite monument located on the section line between Section 29 and Section 30 in Township 2 South, Range 3 West, Mount Diablo Base and Meridian, said section line being also the east boundary line of the City of Alameda, said monument being located 330.00 feet south of the intersection of the northeast corner of Lot 17 in Section 30 and the northwest corner of Lot 24 in Section 29; thence south along said section line a distance of 4,261.61 feet to a point on the southerly boundary line of the tide lots as said tide lots are designated on "Sale Map No. 10 of Salt Marsh and Tide Lands, situate in the County of Alameda, State of California," filed June 9, 1888, in the Office of the County Recorder of Alameda County, in Map Book 17 at page 30, said point being also the true point of beginning of the area to be described; thence along said tide lot line south $69^{\circ} 43' 00''$ east a distance of 5,291.91 feet, to that certain strip of land under a right of way easement, P.R.C. 1411.9, dated July 12, 1954, between the State of California and the City of San Leandro, which land is 300 feet in width and 11,500 feet, more or less, in length, parallel to and immediately adjacent and bayward of the most westerly subdivision line across Sections 32 and 33, Township 2 South, Range 3 West, Mount Diablo Base and Meridian, and Sections 4 and 9, Township 3 South, Range 3 West, Mount Diablo Base and Meridian, as shown on Tideland Commissioners Map No. 1 of Alameda County, dated 1871, filed in the Office of the Division of State Lands in Sacramento, California; thence along the southwesterly side of said right of way south $73^{\circ} 30' 40''$ west a distance of 52.27 feet; thence south $21^{\circ} 48' 00''$ east a distance of 7,368.17 feet; thence south $33^{\circ} 41' 00''$ east a distance of 4,182.23 feet; thence south $44^{\circ} 00' 00''$ west along a line to its intersection with the western boundary line of the County of Alameda; thence northwesterly along said western boundary line of the County of Alameda to its intersection with the township line between Township 2 South, Range 4 West, and Township 3 South, Range 4 West, Mount Diablo Base and Meridian; thence easterly along said township line to the section line dividing Section 31 and Section 32, Township 2 South, Range 3 West, Mount Diablo Base and Meridian; thence North along said section line a distance of 3,271.63 feet to the true point of beginning.

To be forever held by said city, and its successors, in trust for the uses and purposes and upon the express conditions following, to wit:

(a) That said lands shall be used by said city, and its successors, only for the establishment, improvement and conduct of a harbor, including an airport or aviation facilities and for the construction, maintenance and operation thereon of wharves, docks, piers, slips, quays, terminal buildings, runways, road-

Description

Purposes and conditions
Establishment, etc.,
of harbor,
etc

ways, aprons, taxiways, parking areas and other utilities, structures, facilities and appliances necessary or convenient for the promotion and accommodation of commerce and navigation by air as well as by water, and for the construction, maintenance and operation thereon of public buildings and public works and playgrounds, and for public recreational purposes, and said city, or its successors, shall not, at any time, grant, convey, give or alienate said lands, or any part thereof, to any individual, firm or corporation for any purposes whatever; provided, that said city, or its successors, may grant franchises thereon for limited periods (but in no event exceeding 50 years), for wharves and other public uses and purposes, and may lease said lands, or any part thereof, for limited periods (but in no event exceeding 50 years), for purposes consistent with the trusts upon which said lands are held by the State of California, and with the requirements of commerce and navigation at said harbor and airport, and collect and retain rents from such leases, franchises, and privileges. Such lease or leases, franchises, and privileges may be for any and all purposes which shall not interfere with commerce or navigation.

Reservation
of public use
for air and
water com-
merce, etc

(b) That said lands shall be substantially improved by said city within 10 years of the effective date of this act, without expense to the State, and shall always remain available for public use for all purposes of commerce and navigation by water and air, and the State of California shall have at all times, the right to use, without charge, all of the said wharves, docks, piers, slips, quays, terminal buildings, runways, roadways, aprons, taxiways, parking areas and other utilities, structures, facilities and appliances necessary or convenient for the promotion and accommodation of commerce and navigation by air as well as by water, and for the construction, maintenance, and operation of public buildings and public works and playgrounds, and for public recreational purposes, on said lands or any part thereof, for any vessel, or other watercraft, or aircraft, or railroad, or road, or highway, owned or operated by the State of California, but the State of California shall pay to the said city just and reasonable compensation for the use and occupation of any improvements to the lands made thereon at the cost of said city or any of its lessees, licensees, assignees or franchise holders; and shall otherwise use and occupy any such improvements upon such terms and conditions as may be agreed upon by the city and the State. To satisfy the city's obligation to improve said lands, the city shall not be required to improve the entire area embraced within the grant, and extensive open areas may be left unimproved in order to provide the necessary protection to landings and take-offs of aircraft on airport runways, and to provide areas for seaplane operations. Said city shall file with the State Lands Commission at the end of such 10-year period a report setting forth to what extent it has improved the lands granted hereunder. The State Lands Commission shall make a determination as to whether the city has during said

10-year period improved said lands or any part thereof as herein required; should the determination be to the effect that the requirements of this act have not been fulfilled, all right, title, and interest of said city in and to all lands granted by this act shall cease, and said lands shall revert and vest in the State.

(c) That in the management, conduct or operation of said harbor or airport, or of any of the utilities, structures, appliances or facilities mentioned in paragraph (a), no discrimination in rates, tolls or charges or in facilities for any use or service in connection therewith shall ever be made, authorized or permitted by said city or its successors; provided, however, that nothing herein contained shall prohibit said city from making or entering into franchises, leases, assignments or licenses providing for the exclusive use or occupancy for limited periods (but in no event exceeding 50 years) of those utilities, structures, or facilities which are not capable of use in common with others, or from making or entering into an exclusive contract for the furnishing of services at said harbor or airport.

Discrimination in rates, tolls, etc., prohibited

(d) There is hereby reserved, however, in the people of the State of California the absolute right to fish in the waters of said harbor and airport with the right of convenient access to said waters over said lands for said purpose, together with the right of navigation; provided, that the city may take such measures as may be necessary in the interests of public safety to protect persons from moving vessels and aircraft.

Fishing rights reserved

(e) There is hereby excepted and reserved to the State of California all deposits of minerals, including oil and gas, in said land, and to the State of California, or persons authorized by the State of California, the right to prospect for, mine and remove such deposits from said land; provided, that said excepted and reserved rights and powers shall be exercised in a manner not inconsistent or incompatible with the use of said lands by the grantee for purposes of commerce and navigation.

Mineral rights reserved

(f) The lands herein described are granted subject to the express reservation and condition that the State may at any time in the future use said lands or any portion thereof for highway purposes or for other state purposes, including small boat harbors, without compensation to the city, its successors or assigns, or any person, firm or public or private corporation claiming under it, except that in the event improvements have been placed upon the property taken by the State for said purposes, compensation shall be made to the person entitled thereto for the value of his interest in the improvements taken or the damages to such interest.

Highway, etc., rights reserved

SEC. 2. The City of Alameda, a municipal corporation, is hereby empowered to grant to the City of Oakland, a municipal corporation, any of its salt marsh, tide or submerged lands in trust, however, for the same uses and purposes and upon the same conditions that said lands were acquired from the State of California, and such grant from the City of Alameda to the

Authorized grant City of Alameda to the City of Oakland

City of Oakland shall have the same force and effect as if it were made by the Legislature to the City of Oakland in the first instance.

State survey SEC. 3. The State Lands Commission shall, at the cost of the grantee, survey, monument, plat, and record in the Office of the County Recorder of Alameda County, the area of state lands described in this act. Said city shall enter into a contract with the State Lands Commission for surveying, monumenting and platting the area of state lands described in this act, and shall, upon submission of invoices by the State Lands Commission, pay said costs.

Severability SEC. 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

State grants SEC. 5. Nothing contained in this act shall preclude the city from accepting and retaining any grant of funds from the State made available for the purpose of aiding in the development of said lands for any public purpose not inconsistent with the promotion and accommodation of commerce and navigation by air and water.

CHAPTER 1029

An act to amend Section 14030 of the Government Code, relating to the Division of Architecture Revolving Fund.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14030 of the Government Code is amended to read:

14030. The Division of Architecture Revolving Fund in the State Treasury is continued in existence. With the approval of the Department of Finance, there shall be transferred to, or deposited in, the fund all money appropriated, contributed, or made available from any source, including sources other than state appropriations, for expenditure on work within the powers and duties of the Division of Architecture, including but not limited to services, new construction, major construction and equipment, minor construction, maintenance, improvements and equipment, and other building and improvement projects, as authorized by the state agency for which such an appropriation is made or, as to funds from sources other than state appropriations, as may be authorized by written agreement between the contributor or contributors of such funds and the Division of Architecture, when approved by the Department of Finance.

Money in the fund also may be used, upon approval of the Department of Finance, to finance the cost of any construction projects within the powers and duties of the Division of Architecture for which the Federal Government will contribute a partial cost thereof; provided, written evidence has been received from a federal agency that money has been appropriated by Congress and the Federal Government will pay to the State the amount specified upon the completion of construction of the project. The Director of Public Works may approve plans, specifications and estimates of cost, and advertise for and receive bids on such projects in anticipation of the receipt of such evidence.

Money so transferred or deposited is available for expenditure by the Division of Architecture for the purposes for which appropriated, contributed, or made available, without regard to fiscal years and irrespective of the provisions of Section 16304.

No money in such fund which is derived from an appropriation from the General Fund shall be used to pay the charges imposed by Sections 18750 or 11044 of the Government Code or the charges imposed pursuant to Articles 2 or 3 of Chapter 3, Part 1, Division 3, Title 2 of said code.

CHAPTER 1030

An act to amend Sections 1622 and 2302 of the Welfare and Institutions Code, relating to local inspection services for persons and institutions providing care or services for children or aged persons.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1622 of the Welfare and Institutions Code is amended to read:

1622 The State Department of Social Welfare may inspect, examine and license under this chapter or any county or city may establish, and the State Department of Social Welfare may accredit and approve, a county or city inspection service to perform such functions under this chapter.

inspection
service
institutions
for child
care, etc

If any county or city establishes an inspection service, and such service is approved by the State Department of Social Welfare, the inspection may be made by a health department having at least one regularly licensed physician, or a qualified social service department.

The inspection service shall conform to the requirements of this chapter and to the rules of the State Department of Social Welfare.

The costs of any inspection service undertaken by a county or city, with the approval of the State Department of Social

Costs

Welfare, shall be borne by the State in the amount found necessary by the State Department of Social Welfare for proper and efficient administration, but not to exceed in any fiscal year an amount averaging five dollars (\$5) per month per license. Claims shall be filed with the department at the time and in the manner specified by the department for reimbursement of the expenses incurred. Whenever a claim covering a prior fiscal year is found to have been in error, adjustment may be made on a current claim without necessity of applying the adjustment to the appropriation for the prior fiscal year. If any grants-in-aid are made by the Federal Government for the support of any inspection service approved by the State Department of Social Welfare, the amount of the federal grant shall first be applied to defer the costs of the service and the remainder of the costs, if any, shall be borne by the State.

Sec. 2. Section 2302 of said code is amended to read:

Inspection
service
Institutions,
etc. for aged
persons

2302. The State Department of Social Welfare may inspect, examine and license under this chapter or any county or city may establish, and the State Department of Social Welfare may accredit and approve, a county or city inspection service to perform such functions under this chapter.

If any county or city establishes an inspection service, and such service is approved by the State Department of Social Welfare, the inspection may be made by either a health department having at least one regularly licensed physician, or a qualified social service department.

The inspection service shall conform to the requirements of this chapter and to the rules of the State Department of Social Welfare.

Costs

The costs of any inspection service undertaken by a county or city, with the approval of the State Department of Social Welfare, shall be borne by the State in the amount found necessary by the State Department of Social Welfare for proper and efficient administration, but not to exceed in any fiscal year an amount averaging five dollars (\$5) per month per license. Claims shall be filed with the department at the time and in the manner specified by the department for reimbursement of the expenses incurred. Whenever a claim covering a prior fiscal year is found to have been in error, adjustment may be made on a current claim without necessity of applying the adjustment to the appropriation for the prior fiscal year. If any grants-in-aid are made by the Federal Government for the support of any inspection service approved by the State Department of Social Welfare, the amount of the federal grant shall first be applied to defer the costs of the service and the remainder of the costs, if any, shall be borne by the State.

CHAPTER 1031

An act to amend Sections 5053, 5510, 6002, 6004, 6561, 6907, 7152, 7155, 7156, 7172, and 8403 of, and to add Sections 5613 and 6705.5 to, the Financial Code, relating to savings and loan associations and the administration of the law with respect thereto.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5053 of the Financial Code is amended to read:

5053. "Agent" means any person doing any of the following:

(a) Soliciting or receiving applications for loans to be made by an association, where such services are rendered for compensation and as a whole or partial vocation and not casually or intermittently in connection with a general loan brokerage business.

(b) Disbursing funds on behalf of an association on loans, where such services are rendered for compensation and as a whole or partial vocation and not casually or intermittently in connection with a general loan brokerage business.

(c) Representing himself as authorized by an association to solicit or receive applications for loans.

SEC. 2. Section 5510 of said code is amended to read:

5510. Upon the receipt of an application for a certificate to form a proposed association the commissioner, unless he finds that such certificate must be refused pursuant to this article, shall give written notice to each association existing in this State that an application for the issuance of a certificate has been made. The notice shall state the name of the proposed association, and the time and place that a hearing will be held. The hearing shall not be held less than 10 days after the mailing of the notice.

SEC. 3. Section 6002 of said code is amended to read:

6002. If the commissioner is satisfied that the operation of the proposed branch is in the interest of such association, that the area where the proposed branch is to be located is not adequately served by one or more existing associations or federal savings and loan associations, that such association's financial program is sound, and that the public convenience and advantage will be promoted by the operation of such branch, he shall issue a license for the proposed branch.

SEC. 4. Section 6004 of said code is amended to read:

6004. Upon receipt of an application for a branch license, the commissioner, unless he finds that such application must be denied pursuant to this chapter, shall give written notice to each association existing in this State that an application for the issuance of a branch license has been made. The notice

shall state the name of the association, the name of the city or area in which such branch is proposed, and the time and place that a hearing will be held. The hearing shall not be held less than 10 days after the mailing of the notice.

SEC. 5. Section 6561 of said code is amended to read:

Partial
withdrawals

6561. If only a part of the sum evidenced by an investment certificate is withdrawn, the sum withdrawn is deemed to be that first received by the association unless otherwise agreed between the certificate holder and the association at or prior to the time of such withdrawal. Sums received by an association within the first 10 days of any calendar month (including, if the tenth day of any calendar month is Sunday or a holiday, the first day thereafter which is not Sunday or a holiday) may, at the option of the association, be deemed for the purpose of Section 6560 to have been received by such association on the first day of such month.

SEC. 6. Section 6907 of said code is amended to read:

Limitation
on distribu-
tions

6907. No association issuing investment certificates and not issuing stock shall pay any dividends to shareholders or distribute any profits to shareholders if its surplus, undivided profits and reserves are less than, or by such payment or distribution would be reduced below, the amount specified in this article.

SEC. 7. Section 7152 of said code is amended to read:

Unamortized
real property
loans

7152. An association may make unamortized loans upon the security of improved real property in an amount not in excess of 60 percent of the appraised value of such real property if the terms of such loans do not exceed three years or if the notes or other obligations representing such loans provide for payments which will make such loans, after an initial term not exceeding three years, amortized loans for the purpose of Section 7170.

SEC. 8. Section 7155 of said code is amended to read:

Unimproved
real property
loans

7155. An association may make loans upon the security of unimproved real property in an amount not in excess of 33½ percent of the appraised value of such real property if the terms of such loans do not exceed three years or if the notes or other obligations representing such loans provide for payments which will make such loans, after an initial term not exceeding three years, amortized loans for the purpose of Section 7170.

SEC. 9. Section 7156 of said code is amended to read:

Loans on
property to
be improved

7156. If any loan is made upon the security of real property where it is agreed or contemplated that improvements will be made to the property which shall become a part of such security, the real property shall be deemed improved real property and the value of the proposed improvements shall be included in the appraised value of such real property. At no time shall the amount advanced by the association on such loan exceed the ratio of loan to value authorized by this article. For the purpose of this computation the association shall include the value of such building or buildings at the time the

amount is advanced, and the real property shall be deemed improved real property only from the time the foundation is completed.

SEC. 10. Section 7172 of said code is amended to read:

7172. An association shall not make any one loan in an amount exceeding fifteen thousand dollars (\$15,000) principal if the loan exceeds 1 percent of the book value of the association's assets unless consent is obtained from the commissioner. The provisions of this section are subject to the provisions of Section 7104.

Limitation
on single
loans

SEC. 11. Section 8403 of said code is amended to read:

8403. Article 2 of this chapter and Section 8509 of Article 3 of this chapter do not apply to any association, or to any of its stockholders, six months after the association has met all of the following requirements:

Applicability

(a) The association is an "insured institution" as defined in Title IV of the National Housing Act, as amended

(b) The association has caused notice in writing of prospective termination of stockholders' liability to be served upon the commissioner.

(c) The association has caused a copy of such notice of termination of stockholders' liability to be published at least once in a newspaper of general circulation published in the city in this State in which such association has its principal office or, if no newspaper of general circulation is published in such city, in a newspaper of general circulation published in the county in which such principal office is located.

SEC. 12. Section 5613 is added to said code, to read:

5613. Except with the consent of the commissioner, no association, directly or indirectly, shall buy any real property from, or sell any real property to, its majority stockholder or any officer or director of such association, either for himself or as agent or partner of another, or from or to any corporation of which a majority of the stock is owned or controlled individually or collectively by any one or more of the directors, officers, or majority stockholder of such association. "Buy" and "sell," as used in this section, mean any acquisition or transfer, respectively, for a valuable consideration, except that "buy" does not include purchases or acquisitions pursuant to Section 6707.

Intra-
association
transactions

SEC. 13. Section 6705.5 is added to said code, to read:

6705.5. No association shall have investments in land under Section 6705 (including costs of offsite improvements made or reasonably required) aggregating at any one time more than one-third the total amount of the investments permitted under Section 6705. "Offsite improvements," as used in this section, mean grading, installation of sewers, drains, gutters, curbs, sidewalks and public utilities, paving and other improvements to the land not including buildings, fences or landscaping.

Limitations
on invest-
ments

No association shall make investments under Section 6705, except with the consent of the commissioner, at any time when its investments under Section 6705, together with its loans

under Section 6701 to facilitate the sale of property acquired under Section 6705, other than loans which at such time would be permissible loans otherwise than under Section 6701, aggregate more than whichever of the following is the lesser :

(a) Five percent of its total assets.

(b) An amount equal to the sum of its capital, surplus, undivided profits, loan reserve, federal insurance reserve, and such other reserves as the commissioner may prescribe.

CHAPTER 1032

An act to add Article 4 to Chapter 17 of Part 1 of Division 2 of the Financial Code, relating to conservatorships of savings and loan associations.

In effect
September
7, 1955

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

SECTION 1. Article 4 is added to Chapter 17 of Part 1 of Division 2 of the Financial Code, to read :

Article 4. Conservatorship

Appointment
of con-
servator

9126. If any facts occur which would entitle the commissioner under Section 9001 to take possession of the property, business and assets of an association the commissioner, in lieu of taking such possession, may appoint a conservator of such association and require of him such bond as the commissioner deems proper. The commissioner may also, upon the request of the board of directors of an association, appoint a conservator of such association and require of him such bond as the commissioner deems proper. The conservator, under the direction of the commissioner, shall take possession of the property, business and assets of the association and take such action as he may deem necessary to conserve the assets of such association pending further disposition of its business. The conservator shall retain such possession until the property, business and assets of the association are returned to the association or until the commissioner takes possession thereof.

Action to
enjoin pro-
ceedings

9127. An association, within 30 days after the appointment of a conservator, unless such appointment was at the request of its board of directors, may commence an action in the superior court of the county in which the principal office of the association is located to enjoin further proceedings, and whenever the commissioner takes possession of an association's property, business and assets from a conservator appointed by the commissioner the association may within 15 days after the taking of such possession commence an action in the superior court of such county to enjoin further proceedings. In either

case the court, after citing the commissioner to show cause why further proceedings should not be enjoined, hearing the allegations and proofs of the parties, and determining the facts, may upon the merits dismiss such action, or enjoin the commissioner (and the conservator, if in possession) from further proceedings and direct the commissioner or the conservator to surrender the property, business and assets of the association. Section 9004 is applicable to appeals from any such judgment, and Sections 9005 and 9006 are applicable to demands by a conservator for possession of the property, business and assets of an association. When a conservator takes possession of the property, business and assets of an association, the provisions of Section 9007 are applicable.

9128. Subject to the other provisions of this article, a conservator, while in possession of the property, business and assets of an association, has the same powers and rights and is subject to the same duties and obligations as the commissioner while in possession of the property, business and assets of an association; and during such time the rights of an association and of all persons with respect thereto, subject to the other provisions of this article, are the same as if the commissioner had taken possession of such property, business and assets. A conservator, while in possession of the property, business and assets of an association, shall have all the rights, powers and privileges of the association, its officers and directors, except as provided in Section 9127 or in the sections therein mentioned, or as provided in Section 9131. All expenses of any such conservatorship shall be paid out of the assets of the association and shall be a lien thereon which shall be prior to any other lien. The conservator shall receive a salary, fixed by the commissioner, in an amount no greater than that which would be paid by the commissioner to a special deputy in charge of the liquidation of the association.

Powers and
duties of
conservator

9129. Upon appointing a conservator the commissioner shall cause to be made and completed at the earliest possible date such an examination of the affairs of the association as shall be necessary to inform him as to its financial condition.

Determi-
nation of
financial
condition

9130. Unless the commissioner finds, either as the result of such examination or otherwise, that the association's assets are impaired to such an extent that, after deducting all liabilities other than to its investors, they do not equal or exceed the sum of the value of its outstanding shares and investment certificates, the conservator may, with the approval of the commissioner or on terms and conditions approved by the commissioner:

Alternatives
if assets
unimpaired

(a) Issue additional investment certificates and withdrawable shares and receive additional funds on investment certificates and withdrawable shares, with such provisions, if any, for preference of the funds so received, or for segregating or trusteeing such funds or the assets arising from the investment thereof, or for both, as the commissioner deems

appropriate for the protection of the certificate holders and shareholders providing such funds.

(b) Pay interest on investment certificates and dividends on withdrawable shares at such rate as the commissioner deems appropriate for the protection of the association and its investors.

(c) Pay the withdrawal value of withdrawable shares and investment certificates, either with or, unless the association is "an association on notice" as defined in Section 8150, without notice, subject to such limitations and restrictions, if any, as the commissioner deems appropriate for the protection of the association and its investors.

Meetings

9131. A conservator, while in possession of the property, business and assets of an association, may call, upon the notice required by the association's by-laws, a meeting of the investors of the association who are entitled to vote, for any purpose, including without limitation the election of a board of directors, and upon the holding of a meeting for such purpose the terms of office of all directors shall expire, or may call, upon the notice required by the association's by-laws, a meeting of the board of directors for any purpose, including without limitation the filling of vacancies on the board of directors or the removal and election or the removal or election, of officers. Each such meeting shall be supervised by the conservator.

Termination
of conserva-
torship

9132. If the commissioner becomes satisfied that it may be done safely and in the public interest, he may terminate the conservatorship and permit the association for which a conservator was appointed to resume its business under direction of its board of directors, subject to such terms, conditions, restrictions and limitations as he may prescribe.

CHAPTER 1033

An act to amend Sections 3505 and 3905 of the Public Utilities Code, relating to highway carriers and city carriers.

In effect
September
7, 1955

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 3505 of said code is amended to read:

3505. The provisions of this chapter do not apply to:

(a) Transportation service all of which is rendered in territory within the exterior boundaries of a city, or city and county including the area of any city situated wholly within such outside limits;

(b) The transportation of baggage and express which is incidental to the transportation of passengers by passenger stage corporations as defined in Section 226.

(c) The transportation by towing of a disabled vehicle.

SEC. 2. Section 3905 of said code is amended to read:

3905. The provisions of this chapter do not apply to

(a) A passenger stage corporation as defined in Section 226 engaged in transporting express when the transportation is incidental to the transportation of passengers.

(b) The transportation by towing of a disabled vehicle.

CHAPTER 1034

An act to amend Section 1062 of the Government Code, relating to absence from the State of municipal officers.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1062 of the Government Code is amended to read:

1062. No state or municipal officer shall absent himself from the State for more than 60 days, unless either:

(a) Upon business of the State, or the municipality,

(b) With the consent of the Legislature, or the governing body of the municipality.

In the case of illness or other urgent necessity, and upon a proper showing thereof the time limited for absence from the State shall be extended by:

(a) The Governor in the case of state officers.

(b) The city council or other governing body of the municipality in the case of municipal officers.

CHAPTER 1035

An act to add Section 19533.1 to the Business and Professions Code, relating to licenses to conduct horse race meetings.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 19533.1 is added to the Business and Professions Code, to read:

19533.1. Notwithstanding the provisions of Section 19533, any licensed racing association operating a mile track may construct another track of not less than five-eighths of one mile in circumference in the infield of such mile track and may operate the same for either running or harness racing thereon, and a license may be granted to any harness racing association to conduct a horse race meeting upon any such track. The provisions of Section 19480.5 shall not apply to such an infield track.

CHAPTER 1036

An act to repeal Division 10 of, and to add Division 10, comprising Sections 24501 to 27509, inclusive, to, the Public Utilities Code, to amend Section 1241 of the Code of Civil Procedure, relating to transit districts.

In effect
September
7, 1953

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

Repeal

SECTION 1. Division 10 of the Public Utilities Code, relating to repeals effected by said code, is hereby repealed.

SEC. 2. Division 10, comprising Sections 24501 to 27509, inclusive, is added to the Public Utilities Code, to read:

DIVISION 10. TRANSIT DISTRICTS

CHAPTER 1. GENERAL PROVISIONS

Article 1. Definitions

Short title 24501. This division may be cited as the "Transit District Law."

Construction 24502. Unless the context otherwise requires, the provisions of this article govern the construction of this division.

"District,"
"board" 24503. "District" means a transit district formed under this division; "board" means the board of directors of a district.

"Voter" 24504. "Voter" means any elector who is registered under the Elections Code.

"Transit" 24505. "Transit" means the transportation of passengers and their incidental baggage by any means.

"Transit
works,"
"transit
facilities" 24506. "Transit works" or "transit facilities" means all real and personal property, equipment, rights, or interests owned or to be acquired by the district for transit service.

"Percent of
the total
vote cast" 24507. "Percent of the total vote cast," when used with reference to the requirements of any petition or nomination paper, means percent of the total vote cast, exclusive of absent voter ballots, within the proposed district, district, or territory proposed to be annexed to a district, as the case may be at the last general state election.

"City" 24508. "City" includes city and county and incorporated town, but does not include unincorporated town or village.

"Public
agency" 24509. "Public agency" includes a city, city and county, a county, the State of California, or any public district organized under the laws of the State of California or any agency or authority of any thereof.

Article 2. General Provisions

Creation
and powers

24531. A transit district may be created as provided in this division and when so created may exercise the powers herein granted.

24532. Except as otherwise provided in this division elections shall be held and conducted and the result ascertained, determined, and declared in all respects as nearly as practicable in conformity with the general election laws of the State. Elections

24533. Except as otherwise provided in this division all ordinances and notices which are required to be published shall be published once a week for two successive weeks (two publications) in a newspaper of general circulation published within the district. Publications

24534. Whenever in this division publication in a newspaper of general circulation published within the district is required, and there is no such newspaper, then the publication may be made in a newspaper of general circulation published in any county where the district is situated. Newspapers

24535. Whenever the signature of any officer or employee of a district or of any member of the retirement board or of any officer or employee of the retirement system is authorized or required under the provisions of this division, except in the single instance provided in Section 26244, the signature may be made by the use of a plate bearing facsimiles of such signatures. Signatures

CHAPTER 2. FORMATION OF DISTRICTS

Article 1. General Provisions

24561. Any city together with unincorporated territory, or two or more cities, with or without unincorporated territory, in either Alameda County or Contra Costa County or both, may organize and incorporate as a transit district. Cities and unincorporated territory included within a district may be in the same or separate counties and need not be contiguous. No city shall be divided in the formation of a district. A city may be in more than one transit district formed under this division. Composition of districts Alameda and Contra Costa Counties

It is necessary that a district be formed in Alameda and Contra Costa Counties to meet the transit problem, for the area involved covers more than one city and is in two counties; moreover, the problem is unique to these counties due to their geographic location in relation to the centers of employment of many of their residents. Although a municipal utility district could provide transportation facilities, there is already an existent municipal utility district in part of the area which provides water and sewage disposal to persons who will not necessarily be benefited by the transportation facilities, and if a new municipal utility district is formed, there is a possibility of its becoming merged by operation of law with the existent district, which would result in those persons in the existent district being inequitably taxed to pay for the transit facilities and those benefited only by the transit facilities being taxed to support the water and sewage disposal functions of the district.

Also, there are existing transportation facilities in the area which may be taken over by the transit district and special provisions relating to this transfer and to the employees of these facilities, as provided for by this division, are necessary to protect the public interest.

Request for
formation

24562. A request for the formation of a district may be made by resolution or by petition as set out in this chapter.

Article 2. Request by Resolution

Request by
resolution

24581. Legislative bodies of half or more of the cities proposed to be included in the proposed district may pass resolutions declaring that in their opinion public interest or necessity demands the creation and maintenance of a transit district to be known as the "(giving the name) transit district."

Proposed
facilities,
boundaries

24582. The resolutions may state the transit facilities proposed to be first acquired, but failure to acquire such transit facilities shall not affect the validity of the district. They shall describe the exterior boundaries of the proposed district, except that if it is intended to organize the district of cities only, a statement of the names of such cities is a sufficient and legal description of the district.

Copies to
board of
superior
judges

24583. Certified copies of the resolutions shall be presented to the board of supervisors of the county containing the largest number of voters within the proposed district, requesting that board of supervisors to call an election without delay for determining whether the district will be created.

Article 3. Request by Petition

Request by
petition

24611. Instead of resolutions, a petition may be presented to the board of supervisors of the county containing the largest number of voters within the proposed district, signed by voters within the proposed district equal in number to at least 10 percent of the total vote cast.

Contents

24612. The petition shall contain substantially the same declarations and statements required to be contained in the resolutions presented to a board of supervisors under this chapter, and declare that, in the opinion of the petitioners, public interest or necessity demands the creation and maintenance of a transit district.

Affidavits

24613. The petition may be on separate papers, but each paper shall contain the affidavit of the person who circulated it certifying that each name signed thereto is a true signature of the person whose name it purports to be.

Certification
of signatures

24614. The clerk of the board of supervisors of the county in which the petition is presented shall compare the signatures to the petition with the affidavits of registration and certify to their sufficiency or insufficiency.

Article 4. Election

Election call

24641. Upon receipt of certified copies of the resolutions or of a sufficient petition, the board of supervisors to whom

they are presented shall call an election within the proposed district without delay for the purpose of determining whether the proposed district will be created and established, and for the purpose of electing the first board of directors therefor in case the district is created.

24642. Before calling the election the board of supervisors shall divide the proposed district into five wards, the boundaries of which shall be so drawn that each shall contain approximately an equal number of voters, as nearly as may be. The cities and any other territory included in the proposed district may be divided for the purpose of establishing ward boundaries. Wards

24643. Upon establishing the wards, the board of supervisors shall publish notice of the election within the proposed district. Notice of election

24644. The notice shall state the name of the proposed district, and describe the boundaries thereof and the boundaries of the wards provided for the purpose of electing directors. Contents

24645. The ballot for the election shall contain such instructions as are required by law to be printed thereon and in addition thereto the following: Ballot

Shall the "(giving name thereof) transit district" be created and established?	YES	
	NO	

24646. The ballots shall also contain the names of the persons nominated to serve as a member of the board showing separately each ward and its nominees and those nominated to be elected at large. Nominees

24647. Any person may be nominated for the office of director upon written petition of at least 50 voters of the ward in which such person resides or of the district for directors elected at large. Nominations

24648. Candidates for the office of director shall be voted upon and elected one from each ward and two at large. Election of directors

24649. No person shall be entitled to vote at the election unless he is a voter of the territory included in the proposed district. Voters

24650. The election may be held on the same day as any other state, county, or city election, and be consolidated therewith. Consolidated election

24651. The board of supervisors which called the election shall meet on Monday next succeeding the day of the election and canvass the votes cast thereat. Canvass

24652. The board of supervisors shall canvass the returns of each city and each parcel of unincorporated territory, if any, separately, and shall order and declare the district created and established of the cities and territory in which a majority of those who voted on the proposition voted in favor of the creation of the district if the total number of voters in such approving cities and territory is not less than two-thirds Two-thirds vote

the number of voters within the district as first proposed, according to the register used at the election.

Director
qualifica-
tions, ap-
pointments

24653. No person may serve as a director unless he is a resident and voter of the district as finally determined. Any vacancies on the board caused by the elimination of territory shall be filled by appointment by the remaining directors, in which case ward lines may be disregarded.

Plurality
required to
elect
director

24654. The board of supervisors shall also canvass the returns of the election with respect to the persons voted for as directors, and shall declare the persons receiving the highest number of votes, for each ward, respectively, or in the district as a whole for those elected at large, to be duly elected as directors of the district, if they are residents and voters thereof as finally determined.

Conduct and
cost of
election

24655. The board of supervisors calling the election shall make all provision for the holding thereof throughout the entire district as proposed, and shall pay the cost thereof.

Reimburse-
ment

24656. If a special election is held exclusively on the proposition of organizing a district, the expenditure therefor shall be reimbursed to the county which called the election by means of a tax on all the taxable property within the cities and unincorporated territory which was proposed to be included in the district, and this tax shall be added to the next county tax bills by the proper officials of the counties involved, respectively.

Article 5. Establishment of the District

Filing of
election
certificate

24681. The board of supervisors shall cause a certified copy of the order declaring the result of the election to be filed in the Office of the Secretary of State, from and after which the establishment of the district shall be deemed complete.

Article 6. Contest of Incorporation

Contest of
incorporation

24701. No informality in any proceeding or in the conduct of any election, not substantially affecting adversely the legal rights of any citizen, shall be held to invalidate the incorporation of any district. Any proceedings wherein the validity of incorporation is denied shall be commenced within three months from the date of filing the order declaring the result of the election with the Secretary of State, otherwise the incorporation and the legal existence of the district shall be held to be valid and in every respect legal and incontestable.

CHAPTER 3. INTERNAL ORGANIZATION OF DISTRICTS

Article 1. Government

Board of
directors

24801. The government of every district is vested in a board of seven directors, one from each ward, and two at large, together with the other officers mentioned in this division. The directors shall be residents and voters of the respective wards from which they are nominated.

Article 2. Election of Directors

24821. The first directors are elected at the formation election as provided in Chapter 2. All elections of directors subsequent to the first shall be held at the same time as the general election in the manner provided in this article. Election of directors

24822. Notice of election shall be published and no other notice of such election need be given. Notice

24823. The board shall by resolution or ordinance fix the boundaries of the wards for the purpose of electing directors therefrom. Such wards shall be established in ample time prior to each biennial general election to permit candidates for the position of directors to circulate nominating papers. Wards

24824. The notice of election shall refer to the wards established by the board.

24825. Upon the filing of a sufficient nomination paper and affidavit by any candidate the name of the candidate shall go upon the ballot at the ensuing general election. Names on ballot

24826. The nomination paper, for those directors elected by wards, shall contain the name of the candidate, with such other information as may be required herein, and shall be signed by 50 voters of the district. The nomination paper for directors elected at large shall contain the name of the candidate, with such other information as may be required herein, and shall be signed by 50 voters of the district. Nomination papers

24827. Nomination papers may be circulated throughout the district. Circulation

24828. The time for verification deputies to obtain signatures to the nomination paper of any candidate, and for nomination papers to be filed with the secretary of the district and be examined by him, and for the secretary of the district to certify the names of all candidates to be placed upon the ballot to the county clerk or county clerks within the territory affected shall be such as is prescribed for independent nominations in the Elections Code. Time limitations

24829. The board shall in the notice, ordinance, or resolution calling an election consolidate it with the general election to be held at the same time in the respective counties in which the district is located and authorize the respective boards of supervisors to canvass the returns and certify the result of the canvass to the board. It shall be the duty of the board or boards of supervisors to so consolidate the election, canvass the returns, and cause the result thereof to be properly certified to the board of directors of the district. The election shall be held in all respects as if there were only one election, and only one ticket or ballot shall be used. Consolidation of elections

24830. Candidates for the office of director shall be voted upon and elected one from each ward and two at large. Election by ward, at large

24831. Upon receipt of the returns of the canvass by the respective boards of supervisors the board shall meet and determine results of the election and declare the candidate or candidates elected. Declaration of elected candidates

Certificates
of election

24832. The secretary of the district shall issue certificates of election, signed by him and duly authenticated, immediately following the determination of the result of the election by the board.

Article 3. Terms of Office of Directors

Terms of
office

24861. The directors elected at the formation election shall hold their respective offices only until the first Monday after the first day of January next following the next general election and until their successors are elected and qualified.

24862. Of the directors elected at the first election following the formation election, those three elected by wards and the one elected at large by the highest vote shall hold office for four years, and the other three for two years, and until their successors are elected and qualified. Thereafter, at each biennial general election, a number of directors corresponding to the number whose terms of office expire shall be elected for the term of four years.

Commence-
ment of term

24863. Directors elected at the formation election shall enter upon their official duties immediately upon the filing of the order declaring the result of the election with the Secretary of State, after qualifying according to law. The terms of directors elected after the formation election shall commence on the first Monday after the first day of January next following their election.

Recall

24864. Every director is subject to recall by voters of the district, in accordance with the recall provisions of the general laws of the State applicable to county officers.

Vacancies

24865. The board shall fill all vacancies on the board, including those caused by the death or resignation of a member. If, however, a vacancy exists for 60 days the Governor shall fill the vacancy.

Term of
appointed
director

24866. The person appointed to fill any vacancy on the board shall hold office for the remainder of the unexpired term of his predecessor.

Article 4. Powers and Duties of Directors

Oath

24881. The oath of office of directors shall be taken, subscribed, and filed with the secretary of the district at any time after the director has notice of his election or appointment but not later than 15 days after the commencement of his term of office. No other filing is required.

President,
vice president

24882. The board shall choose one of its members president, and another vice president, who shall be authorized to act for the president during his absence or disability, and shall provide for the time and place of holding its meetings, which shall be held at least once each month.

Legislative
body

24883. The board is the legislative body of the district and determines all questions of policy.

24884. All matters and things necessary for the proper administration of the affairs of the district which are not provided for in this division shall be provided for by the board.

24885. The board shall supervise and regulate every transit facility owned and operated by the district, including the fixing of rates, rentals, charges, and classifications, and the making and enforcement of rules, regulations, contracts, practices, and schedules, for or in connection with any transit facility owned or controlled by the district. Regulation of facilities

24886. The board may adopt a personnel system for the purpose of recruiting and maintaining an effective working force with good morale. The board shall by resolution determine and create such number and character of positions as are necessary properly to carry on the functions of the district and shall establish an appropriate salary, salary range, or wage for each position so created. The board may by resolution abolish any such position. Except as otherwise provided, appointments to such positions shall be made by the general manager. Personnel system

24887. The board may from time to time contract for or employ any professional service required by the district or for the performance of work or services which cannot satisfactorily be performed by the regular employees of the district. Professional, etc., services

24888. The board shall have an annual audit made of all books and accounts of the district by a certified public accountant or public accountant. Annual audit

24889. The board may provide by resolution, under such terms and conditions as it sees fit, for the payment of demands against the district without prior specific approval thereof by the board if the demand is for a purpose for which an expenditure has been previously approved by the board and in an amount no greater than the amount so authorized, and if the demand is approved by the general manager. Payment of demands

24890. To facilitate the business of the district, the board may provide for the creation and administration of such funds as the needs of the district may require. The funds shall be disbursed in accordance with rules established by the board and all payments from any fund shall be reported to the board. Creation, etc., of funds

Article 5. Meetings and Legislation

24906. All legislative sessions of the board, whether regular or special, are open to the public. Public sessions

24907. A majority of the board constitutes a quorum for the transaction of business. Quorum

24908. The board shall establish rules for its proceedings and may provide by ordinance or resolution that each member shall receive for each attendance at the meetings of the board the sum of twenty dollars (\$20) but not to exceed one hundred dollars (\$100) in any calendar month and shall be allowed such necessary traveling and personal expenses incurred in the performance of his duties as authorized by the board. Proceedings and compensation

- Ordinance ,
etc 24909. The acts of the board shall be expressed by motion, resolution, or ordinance. No ordinance shall be passed by the board on the day of its introduction, nor within three days thereafter, nor at any time other than a regular or adjourned regular meeting. No ordinance, resolution, or motion shall have any validity or effect unless passed by the affirmative votes of a majority of the directors.
- Publication
Enacting
clause 24910. All ordinances shall be published after passage.
24911. The enacting clause of all ordinances shall be as follows:
"Be it enacted by the board of directors of ----- transit district:"
- Signatures 24912. All ordinances shall be signed by the president of the board or the vice president, and attested by the secretary.

Article 6. Other Officers

- General
manager 24926. The board shall appoint and fix the salary of a general manager, who shall have full charge of the acquisition, construction, maintenance, and operation of the facilities of the district and also of the administration of the business affairs of the district.
- Qualifi-
cations 24927. All other things being equal, the board shall appoint as general manager some person who has had experience in the construction or management of transit facilities.
24928. The general manager need not be a resident of this State at the time of his appointment.
- Term
removal,
reduction
in salary 24929. The general manager shall hold office for an indefinite term and may be removed by the board only upon the adoption of a resolution by the affirmative vote of not less than a majority of the board. Before the general manager may be removed, he shall, if he demands it, be given a written statement of the reasons alleged for his removal and he shall have the right to be publicly heard thereon at a meeting of the board prior to the final vote on the resolution providing for his removal, but pending and during such hearing the board may suspend him from office. The board may not reduce the salary of the general manager below the amount fixed at the time of his original appointment except upon the adoption of a resolution by a like vote and after a like opportunity to be heard. The action of the board in suspending or removing the general manager or reducing his salary, if approved by a majority of the membership of the board, is final.
- Appointment
during first
six months 24930. Notwithstanding this article, until such time as the district has operated, controlled, or used facilities or parts of facilities for providing the inhabitants and cities within the boundaries of the district with transit services for a period of six months, the board may or may not appoint a general manager, who during such time holds office at the pleasure of the majority of the board.
- Secretary,
attorney 24931. The board may appoint a secretary and an attorney, who shall hold office during the pleasure of the board.

24932. The attorney shall be admitted to practice law in the Supreme Court of the State, and shall have been actively engaged in the practice of his profession for not less than three years next preceding his appointment.

Qualifications of attorney

24933. The board may consolidate any of the district offices in one person.

Consolidation of offices

24934. The oath of office of all appointive officers of the district shall be taken, subscribed, and filed with the secretary of the district at any time after the officer has notice of his appointment but not later than 15 days after the commencement of his term of office. No other filing is required.

Oath of office

24935. Each appointive officer shall give such bond and in such amount as the board may require.

Bond

24936. Subject to the control of the board, the powers and duties of the general manager are:

General manager Powers and duties

(a) To have full charge of the acquisition, construction, maintenance, and operation of the facilities of the district.

(b) To have full charge of the administration of the business affairs of the district.

(c) To see that all ordinances of the district are enforced.

(d) To administer the personnel system adopted by the board and except for officers appointed by the board to appoint, discipline or remove all officers and employees subject to the rules and regulations adopted by the board and the labor provisions of this law, whichever are applicable.

(e) To attend all meetings of the board and submit a general report of the affairs of the district.

(f) To keep the board advised as to the needs of the district.

(g) To prepare or cause to be prepared all plans and specifications for the construction of the works of the district.

(h) To devote his entire time to the business of the district.

(i) To perform such other and additional duties as the board may require.

24937. The general manager shall within 90 days from the end of each fiscal year cause to be published a financial report showing the result of operations for the preceding fiscal year and the financial status of the district on the last day thereof. The publication shall be made in the manner provided in this division for the publication of ordinances and notices generally.

Financial report

24938. The attorney shall take charge of all suits and other legal matters to which the district is a party or in which it is legally interested. He shall give his advice or opinion in writing whenever required by the board. He shall be the legal adviser of the general manager and other district officers and shall prepare or approve the forms of all ordinances, resolutions, contracts, bonds, and other legal documents connected with the business of the district. He shall perform such other and additional services as the board may require.

Attorney Powers and duties

24939. The general manager shall cause to be installed and maintained a system of auditing and accounting which shall completely and at all times show the financial condition of the

Installation of auditing and accounting system

district. All warrants for the payment of demands against the district shall be paid in accordance with such rules as the board may establish.

Custody and
accounting
of funds

24940. The general manager shall provide for the custody of the funds of the district and the keeping of accounts of all receipts and disbursements. Payments shall be made only upon warrants duly and regularly signed by the president or vice president of the board, or other person authorized by the board so to do, and by the general manager or secretary.

Deposit of
securities

24941. With the consent of the board, the general manager may:

(a) Authorize the trust department of any state or national bank in this State, or a trust company authorized to act as such in this State, to receive as his agent deposits of any securities acquired by the district.

(b) Place and maintain for safekeeping as a trust deposit with the trust department of any state or national bank in this State, or a trust company authorized to act as such in this State, any securities owned by the district.

The bank or trust company selected shall have a total paid-in capital of at least one million dollars (\$1,000,000). The general manager shall take from the trust department or trust company a receipt for the securities, and neither the general manager nor the district is responsible for the custody and safe return of the securities until they are withdrawn from the trust department or trust company by the general manager. Any trust department or trust company to which securities are delivered, either as agent or depository for the general manager, shall make such disposition of the securities as the general manager directs and is responsible only for strict compliance with written instructions given to it by the general manager. All such securities are at all times subject to the order of the general manager.

CHAPTER 4. LABOR PROVISIONS

Collective
bargaining
agreements,
etc.

25051. Whenever a majority of the employees employed by said transit district in a unit appropriate for collective bargaining indicate a desire to be represented by a labor organization, the board, upon determining as provided in Section 25052 that said labor organization represents the employees in the appropriate unit, and the accredited representative shall bargain in good faith and make all reasonable efforts to reach agreement on the terms of a written contract governing wages, salaries, hours, working conditions and grievance procedures. In case of a dispute over the terms of a written contract governing wages, salaries, hours or working conditions, which is not resolved by negotiations in good faith between the board and the representatives of the employees, upon the agreement of both, the board and the representatives of the employees may submit said dispute to the decision of the majority of an arbitration board, and the decision of a majority of such

arbitration board shall be final. The arbitration board shall be composed of two representatives of the transit board and two representatives of the labor organization, and they shall endeavor to agree upon the selection of a fifth member. If they are unable to agree, the fifth member shall be designated by the Secretary of the Judicial Council and shall be a person experienced in labor arbitrations. The expenses of such impartial arbitrator shall be provided half by the transit board and half by the labor organization.

No contract or agreement shall be made with any labor organization, association, group or individual where such organization, association, group or individual denies membership on the grounds of race, creed or color, provided such organization may preclude from membership any individual who advocates the overthrow of the government by force or violence.

25052. If there is a question whether a labor organization represents a majority of employees or whether the proposed unit is or is not appropriate, such matters shall be submitted to the State Conciliation Service for disposition. The State Conciliation Service shall promptly hold a public hearing and may, by decision, establish the boundaries of any collective bargaining unit and provide for an election to determine the question of representation. Provided, however, any certification of a labor organization to represent or act for the employees in any collective bargaining unit shall not be subject to challenge on the grounds that a new substantial question of representation within such collective bargaining unit exists until the lapse of one year from the date of certification or the expiration of any collective bargaining agreement, whichever is later.

Representation of employees by union. Submission to State Conciliation Service

25053. Whenever any district acquires existing facilities from a publicly or privately owned public utility, either in proceedings by eminent domain or otherwise, to the extent necessary for operation of facilities, all of the employees of such public utility whose duties pertain to the facilities acquired who have been employed by said utility for at least seventy-five (75) days shall be appointed to comparable positions in the district without examination and shall be governed thereafter by the personnel system adopted by the board, and these employees shall be given sick leave, seniority and vacation credits in accordance with the records of the acquired public utility.

Acquisition of facilities from utility. Inclusion of utility employees

The provisions of this section shall apply only to those officers or supervisory employees of the acquired utility as shall be designated by the board.

25054. Whenever any district acquires existing facilities from a publicly or privately owned public utility, either in proceedings in eminent domain or otherwise, that has a pension plan in operation, members and beneficiaries of such pension plan shall continue to have the rights, privileges, benefits, obligations and status with respect to such established

Retention of pension rights

system; provided, however, that the outstanding obligations and liabilities of such public utility by reason of such pension plan have been considered and taken into account and allowance made for in the purchase price of such public utility.

Specification
of rights
in contract

25055. The persons entitled to pension benefits as provided for in Section 25054 and the benefits which are provided shall be specified in the agreement or order by which any public utility is acquired by the district.

Inclusion
in district
retirement
system

25056. All persons receiving pension benefits from such acquired public utility and all persons entitled to pension benefits under the pension plan of such acquired public utility may become members or receive pensions under the retirement system established by the district by mutual agreement of such persons and the district.

CHAPTER 5. RETIREMENT SYSTEM

Article 1. Establishment

Retirement
system

25301. The board may establish a retirement system for the officers and employees of the district and provide for the payment of annuities, pensions, retirement allowances, disability payments, and death benefits or any of them.

Retirement
fund, insurance,
etc

25302. The district may maintain its own retirement fund or may provide for benefits to eligible officers and employees, or their beneficiaries, by means of group insurance or other insurance, or by such means as in the opinion of the board will satisfactorily provide an adequate and sure method of meeting the payments contemplated by the retirement system.

Report of
actuary

25303. Before establishing any retirement system the board shall secure a report from a qualified actuary, which shall show the cost of the benefits provided by the system, and the prospective assets and liabilities of the system.

General
powers

25304. The board may adopt all ordinances and resolutions and perform all acts necessary or convenient to the initiation, maintenance, and administration of the retirement system.

State
Employees'
Retirement
System,
O. A. S. 1.

25305. Nothing in this chapter prevents a district from participating in and making all or part of its employees members of the State Employees' Retirement System by contract entered into between the district and the board of administration of the system under the State Employees' Retirement Law or from participating in the Federal Social Security Act pursuant to Chapter 8 of Part 3 of Division 3 of Title 2 of the Government Code, and the district may perform all acts necessary or convenient for such participation.

Classifica-
tion and
determina-
tion of
members

25306. The board may classify and determine the officers and employees who shall be included as members in the retirement system and may change the classification from time to time. Membership of all officers and employees so classified and included in the retirement system is compulsory. The retirement system shall not apply to elective officers.

Article 2. Benefits and Contributions

25331. The board may prescribe the terms and conditions upon which the officers and employees of the district or their beneficiaries shall be entitled to benefits and the amounts thereof.

Benefits and contributions. Terms and conditions

25332. The retirement allowance may be predicated in part upon service rendered the district by a member prior to the establishment of the retirement system, which service is known as "prior service."

"Prior service"

25333. The board shall provide that both the district and the members shall contribute to the retirement system. The rate of contribution by an officer or employee of the district becoming a member of the retirement system shall be so fixed as to provide, with accumulated interest and based on tables and assumptions adopted by the board, substantially one-half the value of any retirement allowance granted for service, exclusive of any credits allowed for prior service.

Rate of contributions

25334. All members of the retirement system shall contribute in the manner and amount fixed by the board and such contributions may be collected by deducting the amounts thereof from the salary, wages, or compensation due such members.

Salary deductions

25335. Liabilities accruing under the retirement system because of benefits other than such as are the equivalent of contributions by the members, with accumulated interest, shall be met by contributions by the district. Prior service or other liabilities of the district may be met by annual appropriations instead of by one appropriation for the total of the liabilities; but until the present value of regular contributions for current service, together with assets then available, equals the present value of all allowances and benefits granted or to be granted under the system, the appropriation for any one year when added to any unused balance of any previous appropriations for such purpose shall not be less than the amount disbursed during that year on account of prior service or other liabilities of the district.

District contributions

25336. If any member withdraws from the retirement system prior to retirement the total amount contributed by him with such interest as may be credited thereto shall be returned to him; provided, however, that the board may prescribe the terms and conditions upon which a member, whose district service is terminated except by death or retirement, may elect to leave his contributions and interest thereon in the retirement fund, and the terms and conditions upon which a retirement allowance may be made to him after such termination based upon his contributions prior to such termination.

Withdrawal from system

25337. All money received by any person as an annuity, pension, retirement allowance, disability payment, or death benefit from the retirement system, and all contributions and interest thereon returned to any member of the retirement system, whether in the actual possession of such person or de-

Exemption of benefits from execution, etc

posited, loaned, or invested by him, is exempt from execution, garnishment, or attachment and is unassignable.

Article 3 Retirement Board

Retirement
board
Members

25361. The board shall create a retirement board of not more than five members, at least two members of which shall be the elected representatives of the employees, to administer the retirement system, and shall define its powers and duties and the tenure of the members.

Service
without pay

25362. All members of the retirement board shall serve without pay.

Determina-
tion of
eligibility to
membership

25363. The retirement board shall determine the eligibility of officers, employees, and their dependents to participation in the system and shall be the sole authority and judge under such ordinances as may be adopted by the board as to the conditions under which persons may be admitted to and continue to receive benefits of any sort under the retirement system, and may modify allowances for service and disability. The determination of the retirement board shall be final and conclusive and shall not be modified or set aside except for fraud or abuse of discretion.

Administra-
tion etc.
of fund

25364. If the district maintains its own retirement fund the retirement board shall have exclusive control of the administration, investment, and disbursement of such fund. Investment of the fund shall be subject to the terms, conditions, limitations, and restrictions imposed by the laws of this State upon savings banks in the making of investments by savings banks, and cash may be deposited in any licensed national bank or banks in this State or in any bank, banks, or corporations authorized or licensed to do a banking business and organized under the laws of this State.

Article 4. Investigation and Penalties

Valuation
of fund

25391. At least once in each four-year period after the establishment of the retirement system the board shall cause to be made an actuarial valuation of the assets and liabilities of the retirement fund, and upon the basis of such investigation and valuation shall make such revision or change of the rates of contribution, the periods and conditions of service, and amounts of retirement allowances as may be necessary.

Prohibited
interests

25392. Except as herein provided, no member of the board or of the retirement board, nor any member of the retirement system or employee of the district, shall have any interest direct or indirect in the making of any investment or in the gains or profits accruing therefrom, and no such person, directly or indirectly, for himself or as an agent or partner of others, shall borrow any of its funds, nor shall any such person in any manner use the same except to make such current and necessary payments as are authorized by the retirement board, nor shall such a person become an endorser or surety as to,

or in any manner an obligor for investments of the retirement fund.

CHAPTER 6. POWERS AND FUNCTIONS OF DISTRICT

Powers and
functions
of district

Article 1. Corporate Power

25701. A district has perpetual succession and may adopt a seal and alter it at pleasure.

Succession,
seal

25702. A district may sue and be sued, except as otherwise provided by law, in all actions and proceedings, in all courts and tribunals of competent jurisdiction.

Capacity
to sue

25703. A district shall have or exercise the right of eminent domain in the manner provided by law for the condemnation of private property for public use. A district may take any property necessary or convenient to the exercise of the powers granted in this division, whether the property is already devoted to the same use or otherwise. In the proceedings, venue, and trial relative to the exercise of the right the district has all the rights, powers, and privileges of an incorporated city and all rights, powers, and privileges conferred in this division. A district shall proceed in the name of the district in condemnation proceedings. The district, in exercising such power, shall in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables or poles of any public utility which is required to be moved to a new location.

Eminent
domain

Article 2. Contracts

25721. A district may make contracts and enter into stipulations of any nature whatsoever, either in connection with eminent domain proceedings or otherwise, including, without limiting the generality of the foregoing, contracts and stipulations to indemnify and save harmless, to employ labor, and to do all acts necessary and convenient for the full exercise of the powers granted in this division.

Contracts

25722. Neither the general manager nor any director of the district shall in any manner be interested, directly or indirectly, in any contract awarded or to be awarded by the board, or in the profits to be derived therefrom. Any violation of this provision is a misdemeanor, and conviction shall work a forfeiture of office. This section has no application to contracts awarded to corporations in which such officer owns less than 1 percent of the entire capital stock.

Interest by
directors,
violations

Article 3. Purchases

25751. The purchase of all supplies, equipment and materials, and the construction of facilities and works, when the expenditure required exceeds three thousand dollars (\$3,000), shall be by contract let to the lowest responsible bidder. Notice requesting bids shall be published at least once in a newspaper

Purchases
Bids

of general circulation, which publication shall be made at least 10 days before bids are received. The board may reject any and all bids and readvertise in its discretion.

Open market
purchases

25752. If after rejecting bids the board determines and declares by a four-fifths vote of all its members that in its opinion the supplies, equipment and materials may be purchased at a lower price in the open market, the board may proceed to purchase the supplies, equipment and materials in the open market without further observance of the provisions requiring contracts, bids, or notice.

Expenditures
in case of
public
calamity

25753. In case of any great public calamity, such as an extraordinary fire, flood, storm, epidemic, or other disaster, the board may, by resolution passed by a four-fifths vote of all its members declare and determine that public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property, and thereupon proceed to expend or enter into a contract involving the expenditure of any sum needed in such emergency without observance of the provisions requiring contracts, bids, or notice.

Article 4. Property

Acquisition,
etc., of
property

25771. A district may take by grant, purchase, gift, devise, or lease, or condemn in proceedings under eminent domain, or otherwise acquire, and hold and enjoy, real and personal property of every kind within or without the district necessary to the full or convenient exercise of its powers. The board may lease, mortgage, sell, or otherwise dispose of any real or personal property within or without the district when in its judgment it is for the best interests of the district so to do.

Disposal of
records,
maps, etc

25772. Whenever the board by resolution determines that any record, map, book, or paper in the possession of the district or any officer or employee thereof is of no further value to the district, the board may authorize its sale, destruction, or other disposition.

Article 5. Transit Facilities and Service

Acquisition,
etc., of
transit
facilities

25801. A district may acquire, construct, own, operate, control or use rights of way, rail lines, bus lines, stations, platforms, switches, yards, terminals, and any and all other facilities necessary or convenient for transit service within or partly without the district, underground, upon, or above the ground and under, upon, or over public streets or other public ways or waterways, together with all physical structures necessary or convenient for the access of persons and vehicles thereto, and may acquire any interest in or rights to the joint use of any or all of the foregoing; provided, that installations in state freeways shall be subject to the approval of the State Department of Public Works and installations in other state highways shall be subject to Article 2, Chapter 3, Division 1 of the Streets and Highways Code.

25802. A district may accept, without limitation by any other provisions of this division requiring approval of indebtedness, contributions of money, rights of way, labor, materials, and any other property for the acquisition, construction, maintenance, and operation of transit facilities, and may enter into any contracts and cooperate with and accept co-operation from the State, or any department, instrumentality, or agency thereof, or any public agency of the State in the acquisition, construction, maintenance, and operation of, and in financing the acquisition, construction, maintenance, and operation of, any such transit facilities.

Donations;
cooperation
with public
agencies

25803. A district shall not interfere with or exercise any control over any transit facilities now or hereafter owned and operated wholly or partly within the district by any city or public agency, unless by consent of such city or public agency and upon such terms as are mutually agreed upon between the board and such city or public agency.

City transit
facilities

25804. A district may lease or contract for the use of its transit facilities, or any portion thereof, to any operator, and may provide for subleases by such operator upon such terms and conditions as it deems in the public interest. The word "operator" as used in this section means any city or public agency or any person, firm or private corporation.

Lease of
facilities

25805. A district may construct and operate or acquire and operate works and facilities in, under, upon, over, across, or along any street or public highway or any stream, bay or watercourse, or over any of the lands which are the property of the State, to the same extent that such rights and privileges appertaining thereto are granted to municipalities within the State. The district shall with respect to the operation of any rail facilities maintain the area of the street or public highway between such rails and for two feet on either side thereof and shall upon removal of such rails restore any such street or public highway to a like condition as the surrounding street or highway area, all in accordance with local ordinances. The district shall not use any street or public highway in a manner to unnecessarily impair its usefulness. The district shall upon acquiring by condemnation or otherwise the facilities of a private transit company assume any and all obligations of such private company to maintain, repair or replace any street, public highway or part thereof.

Right of way
over state
lands

25806. A district may enter into agreements for the joint use of any property and rights by the district and any city, public agency or public utility operating transit facilities; may enter into agreements with any city, public agency or public utility operating any transit facilities, either wholly or partially within, or without, the district, for the joint use of any property of the district or of such city, public agency or public utility, or the establishment of through routes, joint fares, transfer of passengers or pooling arrangements.

Joint use
with city,
public
agency, etc.

- Rates and charges** 25807. The rates and charges for service furnished pursuant to this division shall be fixed by the board and shall be reasonable.
- Hearing** 25808. The board of supervisors of a county or a city and county, or the city council of a municipality having territory located within the district may file a request for a hearing before the district board as to the reasonableness of any rates or charges fixed by the district and as to any proposal for fixing the location of facilities by the district. The request shall be in writing and shall state the subject matter on which a hearing is desired.
- Time and place** 25809. Upon the filing of a request for hearing as provided in Section 25808 the district board shall fix the time and place for hearing. The time fixed shall not be less than 15 days nor more than 60 days from the date such request is filed. Notice of such hearing shall be given to the county or city requesting such hearing and shall be published by the board.
- Intervening** 25810. At the time fixed for any hearing before the board any board of supervisors or city council eligible to file a request for hearing, not a party to the original request for hearing, may intervene and shall be entitled to be heard and to introduce evidence.
- Rights of petitioners** 25811. The district, petitioner or petitioners, and the intervenors shall have the right to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in direct examination; and to rebut evidence introduced by other parties.
- Evidence** 25812. Oral evidence shall be taken only on oath or affirmation. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious business affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in a civil action. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in a civil action.
- District attorney** 25813. The attorney for the district shall be present at the hearing and shall advise the board on matters of law, and shall render such other assistance as may be requested by the board.
- Transcripts, records, etc.** 25814. A complete record of all proceedings and testimony before the board at such hearing shall be taken down by a reporter appointed by the board. In case an action is brought to review any decision of the board, a transcript of such testimony, together with all exhibits or copies thereof introduced, together with the written request for hearing and other proceedings in the cause shall constitute the record on review; provided, however, that the board and other parties may stipu-

late in writing that a specified portion of the evidence be certified to the court for judgment and in such case the portion of the evidence specified and the stipulation specifying such evidence shall be the record on review.

25815. Within 30 days after submission of the case the board shall render its decision in writing together with written findings of fact. Copies of the findings and decision shall be sent forthwith to the petitioners and intervenors by registered mail, postage prepaid. Decision

25816. Within 40 days after the mailing of the decision to the petitioner, the petitioner may apply for a writ of mandate in the manner provided in the Code of Civil Procedure. The complete record of the proceedings, or such parts thereof as are designated by the petitioner, shall be prepared by the district and shall be delivered to the petitioner within 30 days after a request therefor, upon payment of the expense of preparation and certification thereof. Writ of
mandate

Article 6. Indebtedness

25841. A district may borrow money and incur indebtedness, and may issue bonds or other evidences of indebtedness. No indebtedness shall be incurred exceeding the ordinary annual income and revenue of the district without the approval of a two-thirds vote of the voters voting on the proposition to incur such indebtedness; except that a further vote of the voters is not required for any indebtedness incurred within the purposes and not exceeding the available amount of any previously authorized bond issue, and as to such indebtedness the proceeds of any of the bonds unexpended in the treasury of the district, or the par value of any of the bonds which are unsold shall be deemed a part of the ordinary annual income and revenue of the district. Power to
borrow
money etc

Two-thirds
vote

25842. No district shall incur an indebtedness for public works which in the aggregate exceeds 20 percent of the assessed value of all the real and personal property within the district. Limitation

25843. Indebtedness which has been incurred for the acquisition, construction, and operation of transit facilities, where the revenue from the transit facilities for three years or more next preceding has been sufficient to pay the interest and principal due on any bonds issued for its construction or acquisition, in addition to the cost of operation and maintenance, shall not be counted and included in ascertaining the limit of indebtedness. Exclusions
from debt
limit

25844. A district may accept, without limitation by any other provisions of this division requiring approval of indebtedness, contributions or loans from the United States, or any department, instrumentality, or agency thereof, for the purpose of financing the acquisition, construction, maintenance, and operation of transit facilities, and may enter into contracts and cooperate with, and accept cooperation from, the Federal
assistance

United States, or any department, instrumentality, or agency thereof, in the acquisition, construction, maintenance, and operation, and in financing the acquisition, construction, maintenance, and operation, of any such transit facilities in accordance with any legislation which Congress may have heretofore adopted or may hereafter adopt, under which aid, assistance, and cooperation may be furnished by the United States in the acquisition, construction, maintenance, and operation or in financing the acquisition, construction, maintenance, and operation of any such transit facilities. A district may do any and all things necessary in order to avail itself of such aid, assistance, and cooperation under any federal legislation now or hereafter enacted. Any evidence of indebtedness issued under this section shall constitute a negotiable instrument.

Article 7. Investments

Investment
of surplus
money

25871. A district may invest any surplus money in its treasury, including money in any sinking fund, in any of the following:

(a) Its own bonds.

(b) Treasury notes, certificates of indebtedness, bills, bonds of the United States, or any other evidence of indebtedness secured by the full faith and credit of the United States.

(c) Obligations issued pursuant to the Federal Home Loan Bank Act or the National Housing Act.

(d) Treasury notes or bonds of this State, or of any public corporation, municipal corporation, public district, or political subdivision within this State which are legal as security for the deposit of public funds.

Purchase of
bonds, etc.

25872. Such investment may be made by direct purchase of any issue of such bonds, treasury notes, or obligations, or part thereof, at the original sale or by the subsequent purchase of the bonds, treasury notes, or obligations.

Reinvest-
ments

25873. Any bonds, treasury notes, or obligations purchased and held as investments by the district may from time to time be sold and the proceeds reinvested in bonds, treasury notes, or obligations as provided in this article.

Sales in
season

25874. Sales of any bonds, treasury notes, or obligations purchased and held by the district shall from time to time be made in season so that the proceeds may be applied to the purposes for which the money with which the bonds, treasury notes, or obligations were originally purchased was placed in the treasury of the district.

Article 8. Taxation

Taxation

25891. A district may levy, and collect or cause to be collected, taxes for any lawful purpose.

Levy

25892. If, in the opinion of the board, the revenues will not be sufficient for any and all lawful purposes the board shall levy a tax for such purpose or purposes and fix the amount of money necessary to be raised therefor by taxation.

25893. The board shall, at the time of fixing the general tax levy and in the manner provided for the general tax levy, levy and collect annually until the district's bonds are paid, or until there is a sum in the treasury of the district set apart for that purpose to meet all sums coming due for principal and interest on the bonds as they become due a tax sufficient to pay the annual interest on the bonds and such part of the principal thereof as becomes due before the proceeds of a tax levied at the next general tax levy will be available. If the maturity of the indebtedness created by the issue of bonds begins more than one year after the date of the issuance thereof, the tax shall be levied and collected annually at the time and in the manner aforesaid, sufficient to pay the interest on the indebtedness as it falls due and to constitute a sinking fund for the payment of the principal on or before maturity.

Fixing levy
and collec-
tion of taxes

25894. The taxes required to be levied and collected on account of interest, principal, and sinking fund of district bonds shall be in addition to all other taxes levied for district purposes, and shall be collected at the time and in the same manner as other district taxes are collected, and be used for no other purpose than the payment of the bonds and accruing interest.

Bond tax

25895. The board may provide for the assessment, levy, and collection of taxes by the district, including the sale of property to the district for delinquent taxes, with penalties, interest, and cost.

Tax
procedure

25896. The board may elect to avail itself of the assessments made by the assessors of the counties in which the district is situated, and of the assessments made by the State Board of Equalization for those counties, and may take such assessments as the basis for district taxation and have its taxes collected by the county officials if the board declares its election so to do by resolution or ordinance and files a certified copy of the resolution or ordinance on or before the first day of August with the auditors of the counties in which the district is situated. Thereafter, each year and until otherwise provided by the board, all assessments shall be made for the district by the State Board of Equalization and the county assessors, and all taxes shall be collected for the district by the tax collectors, of the counties in which the district is situated.

Assessments
of State and
county,
collection
by county

25897. In such case the county auditor shall, on or before the third Monday in August of each year, transmit to the board a statement in writing showing the total value of all property within the district, ascertained from the assessments referred to in Section 25896 as equalized.

County
auditor's
statement

25898. In case the board elects to avail itself of the assessments referred to in Section 25896 it shall, on or before the first weekday in September, or if such weekday falls upon a holiday then on the first business day thereafter, fix the rate of taxes, designating the number of cents upon each hundred dollars, using as a basis the value of property transmitted to

Tax rate

the board by the county auditors, which rate of taxation shall be sufficient to raise the amount previously fixed by the board. These acts by the board shall constitute a valid assessment of the property and a valid levy of the taxes so fixed.

Transmitted
to county
auditor

25899. The board shall immediately after fixing the rate of taxes as above provided transmit to the county auditors of the counties in which the district is situated a statement of the rate of taxes fixed by the board.

Collection

25900. The district's taxes so levied shall be collected at the same time and in the same manner as county taxes. When collected the net amount, ascertained as provided in this article, shall be paid to the treasurer of the district, under the general requirements and penalties provided by law for the settlement of other taxes. The district may adopt the alternative procedure of tax collection and apportionment established by Chapter 3, Part 8, Division 1 of the Revenue and Taxation Code and any amendments thereof; provided, however, that the district may thereafter abandon said alternative procedure at the end of any fiscal year of the district.

Apportion-
ment of
redemption
payments

25901. Whenever any real property situate in any district which has availed itself of the provisions of Section 25896 has been sold for taxes and has been redeemed, the money paid for redemption shall be apportioned and paid to the district by the county treasurers receiving it in the proportion which the tax due to the district bears to the total tax for which the property was sold.

Compensation
of county

25902. The compensation to be charged by and paid to any county for the performance of services under this article shall be fixed by agreement between the board of supervisors of the county and the board. The compensation shall in no event exceed one-half of 1 percent of all money collected for the district. The compensation collected by the county shall be placed to the credit of the county salary fund.

Lien

25903. All taxes levied under this division are a lien on the property on which they are levied. Unless the board has by ordinance otherwise provided, the enforcement of the collection of such taxes shall be in the same manner and by the same means provided by law for the enforcement of liens for county taxes, all the provisions of law relating to the enforcement of the latter being made a part of this division, so far as applicable.

CHAPTER 7. BONDS

Article 1. Issuance

Bonded
indebtedness

26201. A district may from time to time incur a bonded indebtedness as provided in this chapter to pay the cost of acquiring, constructing, or completing the whole or any portion of any transit facilities, or for acquiring any works, lands, structures, rights, equipment, or other property necessary or convenient to carry out the objects, purposes, or powers of the district.

26202. Whenever the board by resolution passed by vote of two-thirds of all its members determines that the public interest or necessity demands the acquisition, construction, or completion by the district of any transit facilities or any works, lands, structures, rights, equipment, or other property necessary or convenient to carry out the objects, purposes, or powers of the district, the cost of which will be too great to be paid out of the ordinary annual income and revenue of the district, it may at any subsequent meeting of the board provide by ordinance for the submission of the proposition of incurring a bonded indebtedness for the purpose set forth in the resolution to the voters of the district at a special bond election held for that purpose.

Submission
of bond
propositions

26203. In lieu of a resolution passed by the board, proceedings for the issuance of bonds for the purposes provided in this chapter may be initiated by petition of the voters of the district.

Initiation
by petition

26204. Whenever any petition signed by voters within the district equal in number to at least 15 percent of the total vote cast is presented to the board asking for the acquisition, construction, or completion of the whole or any portion of any transit facilities or for acquiring any works, lands, structures, rights, equipment, or other property necessary or convenient to carry out the objects, purposes, or powers of the district, and also asking that a bonded indebtedness be incurred to pay for the cost thereof, the secretary of the district shall immediately examine and verify the signatures of the petition and certify the result of the examination to the board.

Verification
of petition

26205. If the required number of signatures is found to be genuine, the secretary shall transmit to the board an authentic copy of the petition without the signatures.

Transmittal
to board

26206. Upon receiving a petition with the certificate of the secretary stating that it contains the required number of signatures, the board shall formulate for submission to the voters of the district at a special bond election called for that purpose the proposition of incurring a bonded indebtedness for the purposes set forth in the petition. In its discretion the board may defer the calling of the election until the next general election to be held in the district in order to consolidate them.

Formulation
of propo-
sition

26207. The ordinance calling a special bond election shall fix the date on which the election will be held, and the manner of holding the election and of voting for or against incurring the indebtedness. It shall also recite the objects and purposes for which the indebtedness is proposed to be incurred, the estimated cost of the transit facilities, works, lands, structures, rights, equipment, or other property proposed to be acquired, constructed, or completed, the amount of the principal of the indebtedness to be incurred therefor, and the maximum rate of interest to be paid on the indebtedness, which shall not ex-

Ordinance
calling
bond election

ceed 6 percent per annum, payable semiannually or annually the first year and thereafter semiannually.

Bonds for
more than
one purpose

26208. Propositions for incurring indebtedness for more than one object or purpose may be submitted at the same election.

Consolida-
tion of
election

26209. Any special bond election may be held separately, or may be consolidated with any other election authorized by law at which the voters of the district may vote. If a special bond election is consolidated with any other election, the provisions of this chapter setting forth the procedure for the calling and holding of the special bond election shall be complied with, except that the ordinance calling the election need not set forth the election precincts, polling places, and officers of election, but may provide that the precincts, polling places, and officers of election shall be the same as those set forth in the ordinance, notice, or other proceedings calling the election with which the special bond election is consolidated, and shall refer to the ordinance, notice, or other proceedings by number and title, or by other definite description.

Publication

26210. The ordinance shall be published, and no other notice of election need be given.

Two-thirds
vote

26211. The votes of two-thirds of all the voters voting on the proposition at the election are required to authorize the issuance of bonds under this chapter.

Failure of
proposition

26212. If the proposition submitted at a special bond election fails to receive the requisite number of votes, the board shall not within six months after the election hold another special election for the submission of a proposition of incurring a bonded indebtedness substantially the same as the proposition voted upon at the prior election unless a petition signed by voters within the district equal in number to at least 15 percent of the total vote cast is filed with the board, requesting that the proposition, or a proposition substantially the same, be submitted at an election to be called for that purpose.

Article 2. Form and Content

Maturity

26241. Bonds authorized by this chapter shall mature serially in amounts to be fixed by the board; except that payment shall begin not later than 10 years from the date thereof and be completed in not more than 50 years from that date.

Denomi-
nations

26242. The bonds shall be issued in such denominations as the board determines, except that no bonds shall be of a denomination less than one hundred dollars (\$100), nor of a greater denomination than one thousand dollars (\$1,000) or any multiple thereof, and shall be payable on the day and at the place or places fixed in the bonds, and with interest at the rate specified therein, payable semiannually.

Call and
redemption

26243. The board may at any time prior to the issuance and sale of any bonds provide for the call and redemption of any or all of the bonds on any interest payment date prior to their fixed maturity at not exceeding the par value and accrued

interest plus a premium of not exceeding 5 percent upon the principal amount of the bonds, in which event the call price fixed by the board shall be set forth on the face of the bond. Notice of such redemption shall be published once a week for two successive weeks in a newspaper of general circulation printed and published within the district or if there is no such newspaper printed and published within the district then the publication shall be made in a newspaper of general circulation printed and published within the county in which the district or any part thereof is situated, the first publication of which shall be at least 30 days prior to the date fixed for the redemption. After the date fixed for such redemption interest on the bonds thereafter shall cease.

26244. The bonds shall be signed by the president of the board or by such officer of the district as the board shall by resolution authorize and designate for that purpose. They shall also be signed by the treasurer, and be countersigned by the secretary. The coupons of the bonds shall be numbered consecutively and be signed by the treasurer. All signatures and countersignatures, except one of said signatures or countersignatures on the bonds, may be printed, lithographed, or engraved. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer before the delivery of the bonds to the purchaser, the signature or countersignature is nevertheless valid and sufficient for all purposes as if he had remained in office until the delivery of the bonds.

Signature,
numbering

Article 3. Issue and Sale

26261. The bonds may be issued and sold for not less than their par value, but otherwise as the board determines. Before selling any bonds, or any part thereof, the board shall give notice inviting sealed bids in such manner as the board may prescribe. If satisfactory bids are received, the bonds offered for sale shall be awarded to the highest responsible bidder. If no bids are received, or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders, the board may reject all bids received, if any, and either again give notice inviting bids or sell the bonds at private sale.

Sale,
bids, etc

26262. All premiums and accrued interest received on the sale of bonds shall be placed in the fund to be used for the payment of principal of and interest on the bonds. The remainder of the proceeds of the bonds shall be placed in the district treasury to the credit of the proper fund, and shall be used exclusively for the objects or purposes for which the bonds were voted; provided that when said objects and purposes have been accomplished any moneys remaining shall be transferred to the fund to be used for the payment of principal of and interest on the bonds, and that when all principal of and interest on the bonds shall have been paid, any balance

Disposition
Premiums
and interest

of money then remaining shall be transferred to the general fund of the district.

Inclusion
of interest
expense

26263. In lieu of the immediate levy of a tax to pay the interest or any part thereof on any bonded indebtedness incurred in accordance with this division, the board may in the estimate of the amount of money necessary to be raised by the bonds include a sum sufficient to pay interest on all of the bonds or part thereof during the period of acquisition, construction, or completion, but for no period in excess of five years.

Article 4. Refunding

Refunding
bonds

26281. Whenever the board by resolution passed by a vote of two-thirds of all its members determines that the refunding of the whole or any portion of the bonded indebtedness will be of advantage to the district the board may refund the bonded indebtedness or any portion thereof and issue refunding bonds of the district therefor.

Indebtedness
not increased
or decreased

26282. The issuance of refunding bonds shall not be construed as the incurring or increase of an indebtedness within the meaning of this division, and the approval of the voters is not required for the issuance of refunding bonds. The board may provide for the call and redemption of any or all of the bonds on any interest payment date prior to their fixed maturity in the ordinance authorizing the issuance of the refunding bonds.

Applicability

26283. Except as otherwise provided, the provisions of this chapter shall substantially govern as to all matters pertaining to the issuance of refunding bonds, including and without limiting the generality of the foregoing, the form, execution, issuance, maturity, redemption, refunding, validation, the payment of interest from bond funds, and the status of the bonds as investments.

Interest rate,
payment

26284. Refunding bonds shall bear interest at a rate not exceeding the interest rate on the refunded bonds, but payment of the refunding bonds shall begin not later than one year from the date thereof and be completed in not more than 40 years from that date.

Proceeds

26285. The proceeds of the sale of refunding bonds shall be applied only to the purchase, or retirement at not more than par and accrued interest, or the call price, of the bonded indebtedness for which the refunding bonds were issued.

Exchange

26286. In lieu of selling refunding bonds and using the proceeds to purchase or retire the bonds to be refunded, the board may exchange refunding bonds at not less than par and accrued interest for the bonds so refunded.

Cancellation

26287. Whenever outstanding bonds are refunded they shall be surrendered to the treasurer of the district, who shall cancel them by endorsing on their face the manner in which the refunding was effected (whether by exchange or purchase, and the amount for which so purchased, if any) and by perfo-

rating through each bond and each coupon attached thereto the word "canceled" together with the date of cancellation.

Article 5. Status as Investments

26311. All bonds including refunding bonds issued by a district are legal investments for all trust funds and for the funds of all insurance companies, banks, both commercial and savings, and trust companies, and for the State School Fund and for all sinking funds under the control of the State Treasurer. Whenever any money or funds may by law be invested in or loaned upon the security of bonds of cities, cities and counties, counties, or school districts, in the State, such money or funds may be invested in or loaned upon the security of the bonds of a district; and whenever bonds of cities, cities and counties, counties, or school districts by law may be used as security for the faithful performance or execution of any court or private trust or of any other act, bonds of the district may be so used. Bonds as legal investments

26312. All bonds of the district, to the same extent as bonds of any other municipality, are legal for use by any state or national bank or banks in the State as security for the deposit of funds of the State or of any county, city and county, city, municipality, or other public or municipal corporation within the State. Security for deposit

Article 6. Validation

26341. The board may at any time within 60 days from the date of an election authorizing the issuance of bonds or within 60 days from the date of the resolution authorizing the issuance of refunding bonds cause to be brought in the name of the district an action in the superior court of the county in which the district or the greater portion thereof is located to determine the validity of the bonds. Validation action

26342. The action shall be in the nature of a proceeding in rem, and jurisdiction of all parties interested may be had by publication of summons for at least once a week for three weeks in some paper of general circulation published in the county where the action is pending, such paper to be designated by the court having jurisdiction of the proceedings. Publication of summons

26343. Jurisdiction is complete within 10 days after the full publication of the summons in the manner herein provided. Anyone interested may at any time before the expiration of the 10 days appear and by proper proceedings contest the validity of the bonds. Jurisdiction, appearance

26344. If there is more than one action or proceeding involving the validity of any such bonds, they shall be consolidated and tried together. Consolidation

26345. The court hearing any proceeding or action inquiring into the regularity, legality, or correctness of the Unsubstantiated errors etc

proceedings leading up to the issuance of bonds or the validity of bonds shall disregard any error, irregularity, or omission which does not affect the substantial rights of the parties to the action or proceeding.

Pleading
and practice
rules

26346. The rules of pleading and practice provided by the Code of Civil Procedure which are not inconsistent with the provisions of this division, are applicable to all actions or proceedings herein provided for. The motion for a new trial of any such action or proceeding shall be heard and determined within 10 days from the filing of the notice of intention. The costs on any proceeding or action herein provided for may be allowed and apportioned between the parties, or taxed to the losing party in the discretion of the court.

Judgment,
appeal, etc

26347. The action shall be speedily tried and judgment rendered declaring the bonds valid or invalid. Either party may appeal to the Supreme Court at any time within 30 days after the rendition of judgment, which appeal shall be heard and determined within three months from the time of taking the appeal.

Limitation
on action

26348. After the expiration of 90 days from the date of a bond election or the date of the resolution authorizing the issuance of refunding bonds, no action may be brought by any person to contest or question the validity of the bonds and the proceedings leading up to their issuance.

CHAPTER 8. ANNEXATION OF CITIES

Article 1. Annexation Agreement

Annexation
of cities

26401. Any city not included within the boundaries of a district may be annexed thereto in the manner provided in this chapter.

Agreement
by city

26402. The legislative body of the city proposed to be annexed shall agree in writing with the board upon the terms and conditions of annexation, which agreement (among other things) may provide for the levy and collection of special taxes within the city in addition to the taxes elsewhere in this division provided for, the fixing of rates, rentals, and charges differing from those fixed or existing elsewhere within the district, the incurring or assumption of indebtedness, or the making of a payment or payments, or the transfer of property, real and personal, and other assets to the district by the city.

Article 2. Approval by District

Approval
by district

26421. The agreement shall become effective and be binding upon the district and the city when approved in the manner set forth in this chapter.

The board shall by ordinance setting forth the agreement at length declare its intention of causing it to be executed by the district.

26422. The ordinance, together with a notice fixing the time and place for hearing thereon, shall be published once in a newspaper of general circulation published in the district. The time fixed for the hearing shall be not less than 30 nor more than 60 days from the date of the publication of the ordinance. Notice of hearing

26423. At the hearing any person interested may file with the board written objections to the execution of the agreement. Objections

26424. Upon the hearing the board shall determine whether or not the agreement will be carried into execution and shall hear and determine all objections thereto. Failure of any person interested in the district or in the matter of the proposed execution of the agreement to show cause in writing pursuant to Section 25423 constitutes an assent on his part to a change in the boundaries of the district and to the execution of the agreement. Determination to proceed

26425. Any hearing on the agreement may be adjourned from time to time by the board without further notice other than an order to be entered upon the minutes of the meeting fixing the time and place of adjournment. Adjournment

26426. If no protests are filed or if the protests filed are overruled and denied the board shall thereupon by resolution finally approve the agreement and authorize its execution, which shall become effective when executed by the city, duly authorized in the manner provided in this chapter. Approval by board

26427. When executed by the district the agreement shall be dated and an executed copy filed with the secretary of the district. An executed copy shall also be filed with the clerk of the city to be annexed. Filing

Article 3. Approval by City

26451. At any time after the board has finally approved the agreement of annexation the legislative body of the city to be annexed shall cause an election to be held in the city to determine whether the city will be annexed to the district upon the terms and conditions stated in the agreement. Approval by city
Election

26452. Notice of election shall be published as provided in Section 24533 and shall either state that a copy of the annexation agreement is on file in the office of the secretary or clerk of the city proposed to be annexed, and open to the inspection of all persons interested, or set forth the terms and conditions of the agreement of annexation at length, in the discretion of the legislative body calling the election. Notice

26453. The ballots for the election shall contain substantially the instructions required to be printed on ballots for use at general state and county elections and in addition shall Ballot

set forth the proposition of annexation substantially as follows:

Shall the _____ (city) be annexed to _____ transit district in accordance with and subject to all of the terms and conditions of an agreement of annexation dated _____ now on file in the office of the clerk of _____ (city)?	YES	
	NO	

Vote
required

26454. If upon a canvass of the election it is found that a majority of all votes cast on the proposition at the election were cast in favor of the annexation, the proposition and all of the terms and conditions of the agreement of annexation shall be deemed carried and approved by the voters; except that if the terms and conditions of the agreement of annexation provide for the assumption of any indebtedness of the district by any city proposed to be annexed, the proposition of annexation shall not be deemed carried unless approved by the vote of two-thirds of all the voters voting on the proposition at the election.

Failure of
proposition

26455. If the proposition fails to carry, the result shall be entered upon the minutes of the governing body of the city.

Execution of
agreement

26456. If the proposition receives the vote of the requisite majority of voters the governing body of the city shall enter in its minutes an order declaring the result of the election and shall thereupon cause the agreement of annexation to be executed by its duly authorized officers.

Article 4. Establishment of Annexation

Annexation
resolution,
filing

26486. Upon receipt by the district of a copy of the agreement of annexation properly executed by the district and the city proposed to be annexed the board shall pass a resolution declaring the city annexed to the district, and shall cause a certified copy of the resolution to be filed with the Secretary of State. From and after the date of filing of the resolution with the Secretary of State the annexation of the city to the district is complete.

Article 5. Annexation of Territory to Cities

Annexation
of territories
to cities

26511. Any territory annexed in accordance with law to any city included in the district shall, upon the completion of such annexation proceeding, be deemed incorporated into and annexed to the district, and thereafter is subject to taxation, along with the entire territory of the district in accordance with the assessable valuation of the property thereof, for general district purposes, and for the payment of any indebtedness theretofore or thereafter incurred by the district.

Article 6. Effect of Annexation

26531. From and after the date of annexation the board shall levy upon all of the property in the city annexed such taxes, tolls, or charges as are necessary to provide funds for the payment of the indebtedness assumed by the city or otherwise necessary to comply with the terms and conditions of the annexation agreement, all in addition to the general district taxes authorized elsewhere in this division to be levied and collected. Effect of annexation

26532. No annexation of a city to a district shall operate to dissolve or terminate the legal existence of the city annexed. Existence of city

Article 7. Contest of Annexation

26551. The validity of any proceedings for the annexation of any city to any district shall not be contested in any action unless the action is brought within three months after the completion of the proceedings. Annexation contest

CHAPTER 9. ANNEXATION OF UNINCORPORATED TERRITORY

Article 1. Annexation Agreement

26651. Unincorporated territory may be annexed to a district in the manner provided in this chapter. Annexation of unincorporated territory

26652. Unincorporated territory not contiguous to a district may not be annexed if the district does not possess facilities for supplying transit service to that territory. Noncontiguous territory

26653. A petition signed by voters within the territory proposed to be annexed equal in number to at least 25 percent of the total vote cast, describing the territory and asking that proceedings be taken for its annexation, shall be addressed to the board and filed with the secretary of the district. Petition

26654. The secretary shall compare the signatures on the petition with the affidavits of registration on file with the county clerk and if he finds that the petition has been signed by the required number of voters he shall attach his signature thereto and present the petition to the board. Verification of signatures

26655. If the board determines that the annexation of the territory would facilitate the acquisition or operation of any transit facilities for the district, or be of advantage to the district, then the board shall also determine the terms and conditions upon which the annexation should be made. Terms and conditions

26656. Provisions may be made (among other things) for payment of taxes within the territory to be annexed in addition to the taxes elsewhere in this division provided for, the fixing of rates, rentals, and charges differing from those fixed or existing elsewhere within the district, the incurring or assumption of indebtedness, or the making of a payment or payments, or the transfer of property, real and personal, and other assets to the district by the territory proposed to be an- Taxes rentals, etc

nexed. The boundaries of the territory proposed to be annexed need not be coterminous with any election precincts. The terms and conditions shall become effective and be binding upon the district and the territory to be annexed when approved in the manner set forth in this chapter.

Approval
by district

Article 2. Approval by District

Ordinance of
intention

26681. The board shall by ordinance setting forth the terms and conditions at length declare its intention of causing the agreement to be approved by the district.

Notice

26682. The ordinance together with a notice fixing the time and place for hearing thereon shall be published once in a newspaper of general circulation published in the district. A copy of the ordinance shall be filed with the secretary of the district. The time fixed for hearing shall not be less than 30 nor more than 60 days from the date of the publication of the ordinance.

Objections

26683. At the hearing any person interested may file with the board written objections to the approval of the terms and conditions.

Determina-
tion to
proceed

26684. Upon the hearing the board shall determine whether or not the terms and conditions will be approved and shall hear and determine all objections thereto. Failure of any person interested in the district or in the matter of the proposed annexation on the terms and conditions set forth in the ordinance to show cause in writing pursuant to Section 26683 constitutes an assent on his part to a change in the boundaries of the district upon the terms and conditions set forth.

Adjournment

26685. Any hearing on the agreement may be adjourned from time to time by the board, not exceeding 30 days in all, without further notice other than an order entered upon the minutes of the meeting fixing the time and place of adjournment.

Approval
by board

26686. If no protests are filed or the protests filed are overruled and denied by the board the board shall thereupon by resolution finally approve the terms and conditions and proceed with the annexation in the manner provided in this chapter.

Dismissal of
proceedings

26687. If protests against the proposed annexation are sustained, all proceedings shall be dismissed and no proceedings shall be undertaken again concerning the territory or any part thereof until after the expiration of one year.

Approval by
unincorpor-
ated
territory
Election

Article 3. Approval by Unincorporated Territory

27011. Within 90 days after the board has finally approved the terms and conditions of annexation the board shall cause an election to be held in the territory proposed to be annexed to determine whether the territory shall be annexed to the district upon the terms and conditions stated in the ordinance.

27012. Notice of election shall be published and shall either state that a copy of the ordinance containing the terms and conditions of annexation at length is on file in the office of the secretary of the district, and open to the inspection of all persons interested, or itself set forth the terms and conditions of annexation at length, in the discretion of the board. Notice

27013. The ballots for the election shall contain substantially the instructions required to be printed on ballots for use at general state and county elections and in addition shall set forth the proposition of annexation substantially as follows: Ballot

Shall the territory described in the petition filed with the secretary of the _____ transit district on the _____ day of _____ be annexed to the transit district in accordance with and subject to all of the terms and conditions set forth in that certain ordinance passed by the board of directors of the transit district on the _____ day of _____, a copy of which is now on file in the office of the secretary of the transit district?	YES	
	NO	

27014. If upon a canvass of the election it is found that a majority of all votes cast on the proposition at the election were cast in favor of the annexation, the proposition and all of the terms and conditions set forth in the ordinance shall be deemed carried and approved by the voters. Majority vote

27015. If the proposition fails to carry, the result shall be entered upon the minutes of the board. Failure of proposition

27016. If the proposition is defeated by the voters, no annexation proceeding shall be commenced involving the territory or any part thereof until after the expiration of one year. Future proceedings

Article 4. Establishment of Annexation

27041. In the event the proposition receives the vote of the requisite majority of voters the board shall pass a resolution declaring the territory annexed to the district, and shall cause a certified copy of the resolution to be filed with the Secretary of State, from and after the date of which filing with the Secretary of State the annexation of the territory to the district is complete. Annexation resolution, filing

Article 5. Annexation Without Election

27061. Unincorporated territory may be annexed to a district without an election in the manner provided in this article. Annexation without election

27062. A petition describing the territory proposed to be annexed and requesting that proceedings be taken for its annexation shall be signed by all of the owners of the real property described therein, verified by the affidavit of one of the Unincorporated territory
Petition

petitioners, addressed to the board, and filed with the secretary of the district. If a portion of the territory consists of public highways, streets, roads or paths, it shall not be necessary to secure the signatures to the petition of the owners only of the real property occupied by such public highways, streets, roads or paths.

Procedure
Hearing,
resolution,
etc.

27063. Proceedings shall thereafter be taken and a hearing held in substantial compliance with the provisions of this chapter relating to the annexation of unincorporated territory except that no election shall be held within the territory proposed to be annexed and the territory shall be deemed annexed to the district upon the passage of a resolution of the board declaring the territory annexed and the filing of a certified copy thereof with the Secretary of State.

Article 6. Effect of Annexation

Levy of
taxes, etc.
on annexed
territory

27091. From and after the date of annexation the board shall levy upon all of the property in the territory annexed such taxes, tolls, or charges as are necessary to provide funds for the payment of the indebtedness assumed by the territory or otherwise necessary to comply with the terms and conditions of the annexation, all in addition to the general district taxes authorized elsewhere in this division to be levied and collected

Article 7. Contest of Annexation

Annexation
contest

27111. The validity of any proceedings for the annexation of any unincorporated territory to any district shall not be contested in any action unless the action is brought within three months after the completion of the proceedings.

CHAPTER 10. EXCLUSION OF TERRITORY

Article 1. Exclusion of Unincorporated Territory

Exclusion
Unincor-
porated
territory

Petition
and order

27251. Any territory contained within a district not being served by any transit facilities of the district and not included within the boundaries of any incorporated city and not benefited in any manner by the district or by its continued inclusion therein may be excluded therefrom by order of the board upon the verified petition of the owners in fee of lands whose assessed value with improvements is in excess of one-half of the assessed value of all the lands with improvements held in private ownership in the territory sought to be excluded.

Petition
Contents

27252. The petition shall describe the territory sought to be excluded and shall set forth that the territory is not benefited in any manner by the district or by its continued inclusion therein, and shall pray that the territory be excluded from the district.

Filing
deposit

27253. The petition shall be filed with the secretary of the district and shall be accompanied by a deposit with the secre-

tary of the sum of one hundred dollars (\$100) to meet the expenses of advertising and other costs incident to the proceedings for the exclusion of the territory, including the cost of recording a certified copy of the order provided for in this chapter. Any unconsumed balance of the deposit shall be returned to the petitioners.

27254. Upon the filing of the petition the secretary shall cause it to be set for hearing at a regular or adjourned regular meeting of the board and shall cause a notice of the filing thereof to be published. The notice shall also state the date of the filing of the petition and that it will come on for hearing before the board and shall state the time and place of the hearing. The time fixed for hearing shall not be less than 30 days from the date of the first publication of the notice. The property to be excluded may or may not be specifically described in the notice, but if not described the notice shall refer to the petition on file with the secretary for a particular description of the property sought to be excluded. Notice of hearing

27255. Any landowner or taxpayer within the district may appear at the hearing either in behalf of or in opposition to the granting of the petition. Objections

27256. The petition shall come on for hearing before the board at the time and place specified in the notice of hearing. Hearing

27257. If upon the hearing the board determines that it is for the best interests of the district that the lands mentioned in the petition or some portion thereof be excluded from the district, or if it appears that the lands or some portion thereof will not be benefited by their continued inclusion in this district, then the board shall make an order that the lands, or such portion thereof as the board may determine, be excluded from the district, describing specifically the lands so excluded. Order of exclusion

27258. A copy of the order of exclusion certified by the secretary of the district shall be recorded in the office of the county recorder of the county in which the lands are situated. The record of the certified copy is prima facie evidence of the exclusion from the district of the lands purporting to be excluded thereby. Recording

27259. From and after the making of the order of exclusion and the record thereof the lands excluded are no longer included in the district. The order of exclusion does not invalidate in any manner any taxes or assessments theretofore levied or assessed against the lands excluded nor relieve the property excluded from any outstanding bonds which are a lien thereon at the time of exclusion, nor from any taxes to pay the principal or interest thereof. Effect

Article 2. Exclusion of Incorporated Territory

27281. If the city to which any territory included in any district has been annexed already provides transit service in the territory annexed, the city council or other governing body of the city may petition the district for the exclusion of such territory from the district. Exclusion Incorporated territory Petition

Contents,
etc :
proceedings

27282. The petition shall contain the information prescribed for petitions for exclusion under Article 1 of this chapter, a deposit for expenses shall be made as therein provided, and thereafter all proceedings shall be had as provided therein for such petitions after filing.

Order
Liability
for taxes
and bonded
indebtedness

27283. If an order of exclusion is granted, the board and the governing body of the city shall by contract provide for the payment by the city of the proportion of the taxes and bonded indebtedness for which the territory excluded is justly liable. If they do not agree, either may petition the superior court in and for the county in which the property is located for a judgment declaring the proportion of the taxes and bonded indebtedness for which the territory excluded is justly liable. The proceeding shall be governed by the provisions of the Code of Civil Procedure relating to declaratory relief.

Obligations
not relieved
by order

27284. The order of exclusion does not invalidate in any manner any taxes or assessments theretofore levied or assessed against the lands excluded nor relieve the property excluded from any outstanding bonds which are a lien thereon at the time of exclusion, nor from any taxes to pay the principal or interest thereof.

CHAPTER 11. DISSOLUTION

Dissolution

27501. The board of any district which operates no transit facilities, or with exterior boundaries coincident with the boundaries of a single city, may call an election at any time for the purpose of submitting to the voters of the district the question of whether the district will be dissolved. Upon the filing with the secretary of such a district of a petition signed by voters within the district equal in number to at least 25 percent of the total vote cast, asking that the question of dissolution of the district be submitted to the voters of the district, the board shall call such an election.

Election

Petition

Time of
election

27502. The election for the purpose of submitting to the voters of the district the question of whether or not the district shall be dissolved shall be held within 60 days next succeeding the date on which the petition is filed.

Notice

27503. Notice of any election for dissolution, whether called because of the filing of a petition or ordered by the board without petition, shall be published. The date fixed for the election shall not be less than 30 days from the date of the first publication of the notice.

Ballot

27504. The ballots for the election shall contain substantially the instructions required to be printed on ballots for use at general state and county elections and in addition the following:

Shall the "(giving the name thereof) transit district" be dissolved?	YES	
	NO	

27505. No other notice of the election other than that provided for in this chapter need be given and no sample ballots need be sent to the voters.

27506. If upon a canvass of the election it is found that a majority of all votes cast on the proposition at the election were in favor of the dissolution, the dissolution shall be deemed carried and approved by the voters. The board shall meet on Monday next succeeding the election and canvass the votes cast.

27507. Upon dissolution of any district which has boundaries that are coincident with the corporate limits of a city, the district property wherever situated vests absolutely in the city, and upon the dissolution of any district operating no transit facilities and which has boundaries that extend beyond the boundaries of a single city the property of the district wherever situated vests in the county in which the whole or greater portion of the district is situated.

27508. If at the time of dissolution there is any outstanding indebtedness of the district the legislative authority of the city, where the limits of the district lie wholly within the corporate limits of a city, and in all other cases the board of supervisors of the county in which the whole or greater portion of the district is situated are ex officio the board of directors of the district for the purpose only of the levy and collection of taxes for the payment of the indebtedness of the district existing at the time of dissolution and the interest thereon. The board or legislative authority shall levy the taxes and perform such other acts as are necessary to raise the money necessary for the payment of the indebtedness and the interest thereon.

27509. In the event that the proposition for dissolution fails to carry, no subsequent election for the dissolution of the district shall be called until after the expiration of one year from the date of the prior election.

SEC. 3. Section 1241 of the Code of Civil Procedure is amended to read:

1241. Before property can be taken, it must appear:

1. That the use to which it is to be applied is a use authorized by law;

2. That the taking is necessary to such use; provided, when the board of directors of an irrigation district, of a transit district, of a public utility district, or of a water district or the legislative body of a county, city and county, or an incorporated city or town, or the governing board of a school district, shall, by resolution or ordinance, adopted by vote of two-thirds of all its members, have found and determined that the public interest and necessity require the acquisition, construction or completion, by such county, city and county, or incorporated city or town, or school district, or irrigation, transit, public utility, or water district, of any proposed public utility, or any public improvement, and that the property described in such resolution or ordinance is necessary therefor,

Majority
vote

Disposition
of property

Outstanding
indebtedness

Taxes

Failure of
proposition

Facts neces-
sary for
condem-
nation

such resolution or ordinance shall be conclusive evidence; (a) of the public necessity of such proposed public utility or public improvement; (b) that such property is necessary therefor, and (c) that such proposed public utility or public improvement is planned or located in the manner which will be most compatible with the greatest public good, and the least private injury; provided, that said resolution or ordinance shall not be such conclusive evidence in the case of the taking by any county, city and county, or incorporated city or town, or school district, or irrigation, transit, public utility, or water district, of property located outside of the territorial limits thereof.

Property
already
appropriated
to public use

3. If already appropriated to some public use, that the public use to which it is to be applied is a more necessary public use; provided, that where such property has been so appropriated by any individual, firm or private corporation the use thereof for a public street or highway of the State, a county, city and county, or any incorporated city or town, or joint highway district, or the use thereof by the State, a county, city and county, or any incorporated city or town, or joint highway district, or a municipal water district or an irrigation district, a transit district, a public utility district, or a water district for the same purposes to which it has been appropriated or for any public purpose, shall be deemed a more necessary use than the public use to which such property has been already appropriated; and provided, further, that property of any character, whether already appropriated to public use or not, including all rights of any nature in water, owned by any person, firm or private corporation may be taken by a county, city and county, or any incorporated city or town or by a municipal water district, or an irrigation district, a transit district, a public utility district, or a water district, for the purpose of supplying water, or electricity for power, lighting or heating purposes to such county, city and county, or incorporated city or town, or municipal water district, or an irrigation district, a transit district, a public utility district, or a water district, or the inhabitants thereof, or for the purpose of supplying any other public utility, or for any other public use. And such taking may be made, either to furnish a separate and distinct supply of such water, and such electricity for power, lighting or heating purposes, or to provide for any such separate and distinct other public utility or other public use; to furnish such a supply or provide for any such other public utility or other public use in conjunction with any other supply or with any other public utility or other public use that may have been theretofore provided for or that may thereafter be provided for in so supplying or providing for such county, city and county, or incorporated city or town, or municipal water district or an irrigation district, a transit district, a public utility district, or a water district, or the inhabitants thereof; or in conjunction with any other supply or with any other public utility or other public use that may have been theretofore determined upon or that may thereafter be

determined upon in accordance with law by the people of any such county, city and county, incorporated city or town or municipal water district or an irrigation district, a transit district, a public utility district, or a water district. Nothing herein contained shall be construed as in any way limiting such rights as may be given by any other law of this State to counties, cities and counties, incorporated cities or towns or municipal water districts or irrigation districts, transit districts, public utility districts, or water districts.

But private property appropriated to the use of any county, city and county, incorporated city or town, or municipal water district, or irrigation district, or transit district, or public utility district, or water district, may not be taken by any other county, city and county, incorporated city or town, or municipal district, or irrigation district, or transit district, or public utility district, or water district, while such property is so appropriated and used for the public purposes for which it has been so appropriated. Private property appropriated to public use

SEC. 4. If any section, subsection, sentence, clause, or phrase of this act is for any reason held to be unconstitutional such decision shall not affect the validity of the remaining portions of this act. The Legislature hereby declares that it would have passed this act, and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional. Severability

CHAPTER 1037

An act to repeal Sections 701, 702, and 705 of the Insurance Code and to add Sections 701 and 705 to said code, relating to the duration of certificates of authority issued to insurance carriers and the annual fees therefor.

[Approved by Governor June 17, 1955 Filed with
Secretary of State June 18, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 701 of the Insurance Code is hereby Repeal repealed.

SEC. 2. Section 702 of the Insurance Code is hereby Repeal repealed.

SEC. 3. Section 701 is added to the Insurance Code, to read:

701 Subject to the annual fee provisions of Section 705, every certificate of authority shall be for an indefinite term and shall expire with the expiration or termination of a corporate existence of the holder thereof. Notwithstanding the provisions of this section, whenever the commissioner shall determine, after notice and hearing, that any insurer to whom Certificate of authority

such certificate has been issued is in arrears to the State, or to any county or city in the State, for fees, licenses, taxes, assessments, fines or penalties, accrued on business transacted in the State, or is otherwise in default for failure to comply with any of the laws of this State regarding the governmental control of such insurer by the State, he may order that such insurer comply with the said requirements within 30 days of such determination. If the insurer fails to comply within such period, the certificate of authority may then be revoked, unless the commissioner's order is stayed by a court of appropriate jurisdiction.

Revocation

Repeal

SEC. 4. Section 705 of the Insurance Code is hereby repealed.

SEC. 5. Section 705 is added to the Insurance Code, to read:

Filing fee

705. The commissioner shall require the payment of ten dollars (\$10) in lawful money of the United States, in advance as a fee for filing an application for each original certificate of authority and for filing an application for each amendment of a certificate of authority authorizing any insurer to transact business in this State. Notwithstanding the provisions of Section 701 each insurer possessing a certificate of authority of indefinite term pursuant to such section shall owe and pay an annual fee of ten dollars (\$10) in lawful money of the United States in advance on account of such certificate until its final expiration. Such fee shall be for annual periods commencing on July 1, 1956 and on July 1st of each year thereafter and ending on June 30, 1957 and on June 30th of each year thereafter and shall be due on June 1, 1956 and each June 1st thereafter and shall be delinquent on and after June 15, 1956 and each June 15th thereafter.

Annual fee

CHAPTER 1038

An act to add Section 2004.5 to the Streets and Highways Code, relating to public highways.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2004.5 is added to the Streets and Highways Code, to read:

2004.5. Streets in any city which has not held an election of municipal officers within a period of 10 years preceding the date of the proposed inclusion may be included in the county primary system of the county in which such city is located, in the manner provided in Section 2004.

CHAPTER 1039

An act to amend Section 12139 of the Education Code, relating to the standards for the issuance of teaching credentials.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12139 of the Education Code is amended to read:

12139. Any standard for the granting of any credential, except a provisional credential, when adopted, shall remain in force for not less than four years.

CHAPTER 1040

An act to add Section 3151.1 to the Education Code, relating to the election of members of governing boards of county high school districts.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3151.1 is added to the Education Code, to read:

3151.1. Whenever the boundaries of a county high school district are coterminous with the boundaries of a county, the board shall consist of one member from each supervisorial district in the county elected at large from the district.

On or before the first day of January preceding the expiration of the term of a member in office on the effective date of this section the board shall, by resolution adopted by the board, determine the supervisorial district from which his successor shall be elected.

CHAPTER 1041

An act to amend Sections 14225, 14229, 14230 and 14237 of, and to add Section 14153.5 to, the Health and Safety Code, relating to fire protection districts in unincorporated areas.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 14225 of the Health and Safety Code is amended to read:

14225. Territory contiguous to any district and in the same or adjacent county may be included in the fire limits of the district in the manner prescribed in this article.

SEC. 2. Section 14229 of said code is amended to read:

14229. The petition shall also be signed by the district board and shall be presented to the board of supervisors of the county in which the district was organized.

Petition
Presentation

SEC. 3. Section 14230 of said code is amended to read:

Verification,
notice
hearing

14230. The petition shall be verified by the affidavit of one of the petitioners, and notice of its filing, together with the names of owners and a general description sufficient for identification of the real property proposed to be included in the district, and a statement of the time fixed for hearing the petition, and a statement that all persons interested may appear and be heard, shall be published at least two weeks preceding the hearing, by the board of supervisors, in a newspaper of general circulation in the county in which the district is located and in the territory which is to be included within the district.

SEC. 4. Section 14237 of said code is amended to read:

Exclusion of
parcel of
more than
five acres

14237. Where any parcel of land containing more than five acres is included within the fire limits of the district, the board of supervisors of the county in which the district was organized, upon application of the owner, shall exclude from the district and from the taxable property of the district, all of the parcel except that portion or those portions thereof upon which a building or buildings, or similar structure, may be situated, each such portion to include such quantity of land, not less than five acres in area, as in the judgment of the board may be reasonable. No such portion need be contiguous to any other territory in the district.

SEC. 5. Section 14153.5 is added to said code, to read:

District in
more than
one county
Report of
final budget

14153.5. If the district includes territory from more than one county, the provisions of Sections 14152.4, 14153, and 14153.1 shall have no application. The district board shall report the final budget to each board of supervisors after the budget hearing but not later than the thirty-first day of August of each year after making any changes in the preliminary budget it deems advisable during or after the hearing, including deductions, increases or additions, and after dividing the total amount set forth in the final budget in proportion to the value of the real property of the district in each county. The value shall be determined from the equalized values of the current assessment rolls of the counties.

Tax levy

The board of supervisors of each county in which any portion of the district is situated shall at the time of levying the county taxes levy a tax upon all taxable property within the district sufficient to meet the amounts set forth in the final budget submitted by the district board.

Collection,
etc

The taxes so levied shall be computed and entered on the assessment roll and collected at the same time and in the same manner as county taxes, and when collected shall be placed in the treasury of the county in which the largest portion of the territory of the district is situated for the use of the district. All laws applicable to the levy, collection, and enforcement of county taxes are applicable to such taxes.

CHAPTER 1042

An act to add Sections 12701, 12702, and 12703 to the Water Code, relating to the project on San Lorenzo Creek in Alameda County for flood control and allied purposes.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12701 is added to the Water Code, to read:

12701. The project on San Lorenzo Creek in Alameda County for flood control and allied purposes is hereby adopted and authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document numbered 452, Eighty-third Congress, Second Session, as authorized by act of Congress approved September 3, 1954, Public Law 780, Eighty-third Congress, Second Session, at an estimated cost to the State of such sum as may be appropriated for state cooperation by the Legislature upon the recommendation and advice of the State Water Resources Board, when funds for carrying out said project are appropriated by Congress.

San Lorenzo
Creek
Project
Adoption

SEC. 2. Section 12702 is added to said code, to read:

12702. The Alameda County Flood Control and Water Conservation District shall give assurances satisfactory to the Secretary of the Army that the local cooperation, required by the act of Congress approved September 3, 1954 (Public Law 780, Eighty-third Congress, Second Session) will be furnished by the district in connection with the plan of flood control adopted and authorized in Section 12701.

Assurance
of local
cooperation

SEC. 3. Section 12703 is added to said code, to read:

12703. The Alameda County Flood Control and Water Conservation District, in conjunction with the Department of the Army, shall execute the plans and projects referred to in Section 12701 and exercise all powers granted to it in the Alameda County Flood Control and Water Conservation District Act, and the district may make modifications and amendments to the plans as may be necessary to execute them for the purposes of Chapters 1 and 2 of this part.

Execution
of plans
and project

CHAPTER 1043

An act to add Sections 1300.15a, 1300.17a, 2226.5, 2713, and 3218 to the Agricultural Code, relating to production and marketing of olives.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 1300.15a is added to the Agricultural Code, to read:

Green ripe
olives 1300.15a. The marketing of green ripe olives shall not be subject to any provisions of a marketing order which limits the total quantity of such commodity which may be marketed nor to provisions thereof relating to the establishment and operation of surplus pools.

Assessments SEC. 2. Section 1300.17a is added to said code, to read:
1300.17a. No assessment for advertising or sales promotion activities shall be levied under any marketing order with respect to the marketing and handling of green ripe olives except that green ripe olives may be assessed for their proportionate share of administrative costs.

Quantity
marketable,
pools SEC. 3. Section 2226.5 is added to said code, to read:
2226.5. The marketing of green ripe olives shall not be subject to the provisions of any marketing program which limits the total quantity of such commodity which may be marketed nor to provisions thereof relating to the establishment and operation of stabilization and surplus pools.

Same SEC. 4. Section 2713 is added to said code, to read:
2713. The marketing of green ripe olives shall not be subject to the provisions of any marketing agreement or order which limits the total quantity of such commodity which may be marketed nor to provisions thereof relating to the establishment and operation of reserve or surplus pools.

Same SEC. 5. Section 3218 is added to said code, to read:
3218. The marketing of green ripe olives shall not be subject to the provisions of any marketing agreement or order which limits the total quantity of such commodity which may be marketed nor to provisions thereof relating to the establishment and operation of reserve surplus pools.

CHAPTER 1044

An act to amend Section 449 of the Education Code, relating to the superintendent of schools of a county of the forty-ninth class.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 449 of the Education Code is amended to read:

Lake County
Superintendent
of
Schools
Salary 449. The annual salary of the county superintendent of schools of a county of the forty-ninth class is six thousand nine hundred thirty dollars (\$6,930), and he shall possess a valid elementary administrative credential issued by the State Board of Education.

CHAPTER 1045

An act to amend Section 19209 of, and to add Article 9.5, comprising Sections 19215 to 19215.8, inclusive, to Chapter 3 of Division 8 of the Business and Professions Code, relating to furniture and bedding.

[Approved by Governor June 17, 1955. Filed with Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 19209 of the Business and Professions Code is amended to read:

19209. Except as otherwise required to comply with the provisions of Article 9.5 of this chapter, the proceedings in any hearing or disciplinary action under this chapter shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code.

Proceedings
Admin-
istrative
Procedure
Act

SEC. 2. Article 9.5 is added to Chapter 3 of Division 8 of said code, to read:

Article 9.5. Disciplinary Proceedings Against Nonresidents

19215. As used in this article, unless otherwise indicated, "chief" means the Chief of the Division of Administrative Procedure.

19215.1. The acceptance by a nonresident licensee of any of the rights and privileges conferred upon him by this chapter, as evidenced by his engaging within this State, either personally or through an agent or employee, in a business subject to license under this chapter, is equivalent to the appointment by such licensee of the chief as his true and lawful attorney upon whom may be served all lawful process in any disciplinary proceeding conducted against him under this chapter.

Service on
nonresident
licensee

19215.2. The acceptance of such rights and privileges as so evidenced shall signify the agreement of the licensee that any such process which is served against him in the manner provided in this article shall be of the same legal force and validity as if served upon him personally in this State.

Effect of
service
on chief

19215.3. Service shall be made by leaving a copy of the accusation, together with a notice of defense and statement to respondent as described in Section 11505 of the Government Code, with a fee of two dollars (\$2) for each licensee to be served, in the hands of the chief or in his office in Sacramento. Such service shall be sufficient service on the licensee subject to compliance with Section 19215.4 of this code.

Method of
service, fee

19215.4. A notice of such service and a copy of the accusation, together with the notice of defense and statement to respondent, shall forthwith be sent by registered mail by the chief to the licensee at his last known address as furnished by the bureau. Personal service of such notice, copy of the accu-

Mailing
of notice

sation, notice of defense, and statement to respondent upon the licensee wherever found outside this State shall be the equivalent of such mailing.

Proof of
compliance

19215.5. Proof of compliance with Section 19215.4 of this code shall be made in the event of service by mail by affidavit of the chief or his authorized employee showing such service by mailing, together with the return receipt of the United States post office bearing the signature of the licensee or his agent. Such affidavit and receipt shall be appended to the original accusation on file with the bureau. In the event of personal service outside this State such compliance may be proved by the return of any duly constituted public officer qualified to serve process in civil actions in the state or jurisdiction where the licensee is found, showing such service to have been made. Such return shall be appended to the original accusation on file with the bureau.

Continu-
ances, etc

19215.6. The bureau, or if the proceeding has been assigned to a hearing officer of the Division of Administrative Procedure, such hearing officer, may order such postponements or continuances and grant such extensions of time as may be necessary to afford the licensee reasonable opportunity to defend the proceeding. In no event shall the licensee have less than 30 days after the date of mailing or delivery to him of the copy of the accusation in which to file a notice of defense, nor shall the notice of hearing provided for in Section 11509 of the Government Code or the notice and copy of affidavit referred to in Section 11514 of said code be mailed or delivered less than 20 days prior to the date of hearing, and the time for making a request to cross-examine under said Section 11514 shall be not less than 15 days.

Records

19215.7. The chief shall keep a record of all process served upon him pursuant to this article which shall show the day and hour of service.

"Non-
resident"

19215.8. As used in this article "nonresident" means a person who is not a resident of this State at the time he engages in business in the State as described in Section 19215 of this code.

CHAPTER 1046

An act to amend Section 2181 of the Welfare and Institutions Code, relating to income of responsible relatives of applicants for or recipients of aid to the aged.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

Determina-
tion of
responsible
relatives'
ability to
contribute
support

SECTION 1. Section 2181 of the Welfare and Institutions Code is amended to read:

2181. The board of supervisors shall determine the ability of responsible relatives to contribute to the support of appli-

cant and designate the amount of aid, if any, to be granted. The maximum degree of liability of the responsible relative shall be determined by "Relatives' Contribution Scale." In determining ability to contribute, the financial circumstances of responsible relatives shall be given due consideration and, in unusual cases, contributions at less than the amount fixed by "Relatives' Contribution Scale" may be made as the board of supervisors may deem justifiable.

For purposes of this chapter, income of a responsible relative is defined as the sum of the income constituting the separate property of the responsible relative, the income (excluding earnings) which is community property subject to the direction and control of the responsible relative, and the earnings of the responsible relative but not of his or her spouse.

In computing net income, a flat 20 percent allowance shall be permitted in lieu of a reduction for the actual amount of personal income taxes, unemployment insurance taxes and social security taxes. Allowance shall also be permitted for net actual and necessary traveling expenses incurred by the relative in performance of his employment. Traveling expenses shall include only those expenses incurred while away from home in pursuit of a trade or business which are not reimbursed by the relative's employer.

A responsible relative who is self-employed shall also be allowed to deduct the expenses necessary for obtaining the income.

RELATIVES' CONTRIBUTION SCALE											Income of responsible relative
A. Net monthly income of responsible relatives in family	B. Number of persons dependent upon income										Computations of income
	1	2	3	4	5	6	7	8	9	10 and over	
C. Maximum required monthly contributions											Deduction of expenses
200 or under	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
201- 225	5	0	0	0	0	0	0	0	0	0	
226- 250	10	0	0	0	0	0	0	0	0	0	
251- 275	15	0	0	0	0	0	0	0	0	0	
276- 300	20	0	0	0	0	0	0	0	0	0	
301- 325	25	5	0	0	0	0	0	0	0	0	
326- 350	30	10	0	0	0	0	0	0	0	0	
351- 375	35	15	5	0	0	0	0	0	0	0	
376- 400	40	20	10	0	0	0	0	0	0	0	
401- 425	45	25	15	5	0	0	0	0	0	0	
426- 450	50	30	20	10	0	0	0	0	0	0	
451- 475	55	35	25	15	5	0	0	0	0	0	
476- 500	60	40	30	20	10	0	0	0	0	0	
501- 525	65	45	35	25	15	5	0	0	0	0	
526- 550	70	50	40	30	20	10	0	0	0	0	
551- 575	75	55	45	35	25	15	5	0	0	0	

A. Net monthly income of responsible relatives in family	B. Number of persons dependent upon income									
	1	2	3	4	5	6	7	8	9	10 and over
C. Maximum required monthly contributions										
576- 600-----	\$80	\$60	\$50	\$40	\$30	\$20	\$10	\$0	\$0	\$0
601- 625-----	85	65	55	45	35	25	15	5	0	0
626- 650-----	90	70	60	50	40	30	20	10	0	0
651- 675-----	95	75	65	55	45	35	25	15	5	0
676- 700-----	100	80	70	60	50	40	30	20	10	0
701- 725-----	105	85	75	65	55	45	35	25	15	5
726- 750-----	110	90	80	70	60	50	40	30	20	10
751- 775-----	115	95	85	75	65	55	45	35	25	15
776- 800-----	120	100	90	80	70	60	50	40	30	20
801- 825-----	125	105	95	85	75	65	55	45	35	25
826- 850-----	130	110	100	90	80	70	60	50	40	30
851- 875-----	135	115	105	95	85	75	65	55	45	35
876- 900-----	140	120	110	100	90	80	70	60	50	40
901- 925-----	145	125	115	105	95	85	75	65	55	45
926- 950-----	150	130	120	110	100	90	80	70	60	50
951- 975-----	155	135	125	115	105	95	85	75	65	55
976-1,000-----	160	140	130	120	110	100	90	80	70	60
1,001-1,025-----	165	145	135	125	115	105	95	85	75	65
1,026-1,050-----	170	150	140	130	120	110	100	90	80	70
1,051-1,075-----	175	155	145	135	125	115	105	95	85	75
1,076-1,100-----	180	160	150	140	130	120	110	100	90	80
1,101-1,125-----	185	165	155	145	135	125	115	105	95	85
1,126-1,150-----	190	170	160	150	140	130	120	110	100	90
1,151-1,175-----	195	175	165	155	145	135	125	115	105	95

Contribution
where in-
come exceeds
\$1,175

The maximum required monthly contribution of responsible relatives in one family where the net monthly income is over one thousand one hundred seventy-five dollars (\$1,175) shall be the amount computed by entering the column of maximum required monthly contribution appropriate to number of persons dependent upon income as shown in the relatives' contribution scale for a net monthly income of one thousand one hundred fifty-one dollars (\$1,151) to one thousand one hundred seventy-five dollars (\$1,175) and then adding to the required monthly contribution thus ascertained an additional sum of five dollars (\$5) contribution for each and every bracket of twenty-five dollars (\$25) net income over and above one thousand one hundred seventy-five dollars (\$1,175), the same as if the relatives' contribution scale were extended by brackets of twenty-five dollars (\$25) net income in Column A with corresponding step by step increases of five dollars (\$5) monthly contribution in each column under B and C.

CHAPTER 1047

An act to amend Section 8726.1 of the Health and Safety Code, relating to cemeteries.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8726.1 of the Health and Safety Code is amended to read:

8726.1. The trustee of the endowment care fund shall create a reserve from which principal losses may be replaced by setting aside a reasonable percentage of the income from the fund. The trustee may also set aside out of income or net capital gains from investments, reserves for future maintenance, repair or restoration of property or embellishments in the cemetery which may be necessary or desirable as a result of wear, deterioration, accident, damage or destruction. The total amount of such reserves for maintenance, repair and replacement shall not at any time exceed 10 percent of the endowment care fund. "Net capital gains," as used in this section, means the amount by which cumulative capital gains since the establishment of the endowment care fund exceed the sum of cumulative capital losses since the establishment of the endowment care fund and capital gains previously set aside in reserve. Additions to the reserve in any year from capital gains shall not exceed one-half the difference between the capital gains and the capital losses during the year. Any capital gains not set aside in reserve shall be a part of the principal of the endowment care fund.

CHAPTER 1048

An act to amend Section 8621 of the Water Code, relating to flood control.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8621 of the Water Code is amended to read:

8621. Notwithstanding any of the provisions of Chapters 1 and 3 of Part 6 of Division 6, the board, with the approval of the Department of Finance, may, when a saving to the State will result, in lieu of acquiring all or any portion of the lands, easements, or rights of way, in connection with a flood control project, execute a substitute plan which includes provision for the State to construct works or contribute to the United States

a portion of the construction cost of the flood control project when such works to be constructed by the board or the changes in the design of the project are made which, while resulting in new or added state expenditures for construction, will reduce the costs of the lands, easements or rights of way which otherwise might be required. Any funds heretofore or hereafter appropriated or allocated to the board for the acquisition of lands, easements, or rights of way may be used for the purposes specified in this section.

In carrying out the provisions of this section, the board may negotiate with the United States and adopt on behalf of the State, any necessary revision of a project authorized by Chapter 2 of Part 6 of Division 6, but no money shall be expended pursuant to this section to meet the requirements of the United States for local cooperation in connection with such authorized project unless the United States agrees to accept the substitute plan as meeting the requirements for local cooperation.

CHAPTER 1049

An act to amend Section 441 of the Agricultural Code, relating to the powers of the Director of Agriculture.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 441 of the Agricultural Code is amended to read:

Temporary
definitions
and standards
for
new milk
product

441. Upon the request of any interested person, the director may, by regulation, establish temporary definitions and standards for a new milk product in conformity with this section when all of the following conditions exist:

(a) Research in the uses of milk and the products or by-products thereof has developed a new milk product for which no definition or standard is prescribed.

(b) The new product cannot be produced or marketed because no definition or standard is prescribed for it.

(c) It appears to the satisfaction of the director that the public interest would be served by permitting the new product to be produced and marketed.

(d) The request to establish such definition and standard is presented to the director after final adjournment of a regular session of the Legislature and prior to the convening of the next ensuing regular session thereof.

(e) Proposed legislation embodying a permanent definition and standard for such new milk product has not failed of enactment into law at the immediately preceding session of the Legislature.

The director shall hold a hearing on the establishment of such a definition and standard and shall give notice thereof to such persons as he considers may be affected by the establishment of such definition and standard. Hearing

If, at such hearing, it appears that all of the foregoing prerequisite conditions exist and that the public interest would be served by the establishment of a temporary definition or standard for the product, the director may establish same. Any such definition or standard shall be such as will insure the quality and wholesomeness of the product. In establishing such a definition or standard the director shall take into consideration existing definitions and standards established for comparable products.

All manufacturers of products for which such temporary definitions and standards are established shall obtain a special permit for their production from the director, and shall be subject to all the provisions of this division applicable to milk products plants, and milk products.

All definitions, standards and permits established or issued under the provisions of this section shall expire on the ninety-first day after the final adjournment of the next regular session of the Legislature. Operative
period

CHAPTER 1050

An act to add Section 651 to the Business and Professions Code, relating to discounts by persons engaged in the healing arts professions.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7 1955

The people of the State of California do enact as follows:

SECTION 1. Section 651 is added to the Business and Professions Code, to read:

651. It is unlawful for any person licensed under this division or under any initiative act referred to in this division to offer for sale or to sell any commodity or to offer to render or to render any service under the representation that the price or fee which is to be, or is, charged for such commodity or service, or both, is at a discount, or under the representation that the price or fee which is to be, or is, charged for such commodity or service, or both, is at a percentage or otherwise less than the average fee or price then regularly charged under like conditions by the person so licensed or by other persons for such commodity or service or commodity and service. The provisions of this section shall not be construed to modify or establish prices or fees or to modify or affect in any manner any other provision of this division.

CHAPTER 1051

An act to add Sections 4052 and 4061 to the Business and Professions Code, relating to pharmacy.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4052 is added to the Business and Professions Code, to read:

Rules pro-
hibiting sale
of drug
except in
pharmacy

4052. Notwithstanding any provision in this chapter to the contrary, the board may by rule prohibit the sale of any drug except in a pharmacy and under the personal supervision of a registered pharmacist if after open hearing following due notice to persons who have filed written requests for such notice to the board, it shall find that the public health and safety is or will be endangered by the sale of such drug except in a pharmacy and under the personal supervision of a registered pharmacist. A violation of any rule adopted by the board under this section shall be punished in the same manner as provided in Section 4235. If a person holding a certificate, license or permit issued by the board, under the provisions of this chapter, shall violate any such rule he shall, in addition, be subject to disciplinary proceedings, as provided in Section 4219; provided, he is a person against whom disciplinary proceedings may be invoked, under the provisions thereof. This section shall not apply to products sold or offered for sale under the provisions of Sections 4042, 4044, 4045, and 4046 of this code; nor shall this section apply to products lawfully sold or offered for sale to the general public under the provisions of Section 4032 of this code.

SEC. 2. Section 4061 is added to said code, to read:

Same

4061. Notwithstanding any provision in this chapter to the contrary, the board may by rule prohibit the sale of any drug except in a pharmacy and under the personal supervision of a registered pharmacist if after open hearing following due notice to persons who have filed written requests for such notice to the board, it shall find that the public health and safety is or will be endangered by the sale of such drug except in a pharmacy and under the personal supervision of a registered pharmacist. A violation of any rule adopted by the board under this section shall be punished in the same manner as provided in Section 4389. If a person holding a certificate, license or permit issued by the board, under the provisions of this chapter, shall violate any such rule he shall, in addition, be subject to disciplinary proceedings, as provided in Section 4357; provided, he is a person against whom disciplinary proceedings may be invoked, under the provisions thereof. This section shall not apply to products sold or offered for sale under the provisions of Sections 4055, 4057, 4058, and 4059 of this code; nor shall this section apply to products lawfully sold

or offered for sale to the general public under the provisions of Section 4052 of this code.

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Section 4052 of the Business and Professions Code, as added to said code by this act, is repealed.

Effect
Stats 1955,
Ch 550

CHAPTER 1052

An act to amend Sections 4251 and 4411 of the Business and Professions Code, relating to pharmacy.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4251 of the Business and Professions Code is amended to read:

4251. In case any person defaults in payment of the renewal fee, his registration may be revoked by the board on 60 days' notice in writing from the secretary, unless within this time the fee is paid, together with such penalty, not exceeding the amount fixed by this chapter, as the board may impose. Upon payment of the fee and penalty the board shall reinstate the delinquent's registration. If the registration of any person is revoked, as provided in this section, the board may, nevertheless, thereafter issue a certificate of registration to such person if the board determines that he is qualified by education or experience, or both, adequately to practice the profession of a registered pharmacist.

Renewal fee
Default,
revocation,
etc.

SEC. 2. Section 4411 of said code is amended to read:

4411. In case any person defaults in payment of the renewal fee, his registration may be revoked by the board on 60 days' notice in writing from the executive secretary of the board, unless within this time the fee is paid, together with such penalty, not exceeding the amount fixed in this chapter, as the board may impose. Upon payment of the fee and penalty the board shall reinstate the delinquent's registration. If the registration of any person is revoked, as provided in this section, the board may, nevertheless, thereafter issue a certificate of registration to such person if the board determines that he is qualified by education or experience, or both, adequately to practice the profession of a registered pharmacist.

Same

SEC. 3. Section 2 of this act becomes operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said bill takes effect, at which time Section 4251 of the Business and Professions Code as amended by Section 1 of this act is repealed.

Effect
Stats 1955,
Ch 550

CHAPTER 1053

An act to amend Section 55104 of the Water Code, relating to county water works districts.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 55104 of the Water Code is amended to read:

55104. The formation petition shall contain:

(a) The name and boundaries of the proposed district to be benefited by the improvement.

(b) A general description of the improvement desired for the purpose of supplying the inhabitants of the district with water, and which may embrace any or all of the following: the acquisition, construction, installation, completion, extension, repair, or maintenance of water works, structures, and appliances, and the acquisition, by purchase, condemnation, contract, lease, or otherwise, of lands, rights of way, water, water rights, and water service, necessary or convenient for such purpose.

(c) A request that an election be called in the district for the purpose of submitting to the qualified voters thereof the proposition of forming the district.

The formation petition may also contain:

(1) an estimate of the cost of the proposed improvement and of the incidental expenses in connection therewith;

(2) a request that the question of the incurring of any indebtedness by the issuance of bonds of the district to pay the cost and expense of the proposed improvements or any part thereof be submitted at the election called for the purpose of submitting to the qualified voters thereof the proposition of forming the district.

CHAPTER 1054

An act to amend Sections 5417.3, 5418 and 5427 of the Public Resources Code, relating to parks, recreation and parkway districts.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5417.3 of the Public Resources Code is amended to read:

PUBLICATION
of election
resolution

5417.3. The resolution ordering the holding of the election shall be published once a week for two weeks prior to said election in a newspaper designated by the governing body as being most likely to give notice to the inhabitants of the district, and shall be posted in at least three public places in the district

not less than 10 days prior to the date set for the election. No other notice of the election need be given.

SEC. 2. Section 5418 of the Public Resources Code is amended to read:

5418. Any district may be dissolved by its governing body. Dissolution
Upon receiving a petition, signed by 20 percent of the free-holders of the district, requesting its dissolution, its governing body shall, by resolution, call an election for this purpose. The provisions of Title 6, Chapter 1, Article 10 of the Government Code shall not apply to the dissolution of districts organized under this article.

SEC. 3. Section 5427 of the Public Resources Code is amended to read:

5427. All regularly paid employees of a district are subject Rules, etc .
applicable
to employees
to the rules and regulations of the civil service commission of the city or county; provided, however, that in the event the district has elected its own board of directors and in the event a majority of the employees of the district consent, the district board as the governing body may by resolution at any time withdraw its employees from county or city civil service rules and regulations.

CHAPTER 1055

An act to amend Section 70140 of the Government Code, relating to the salary of superior court commissioners in counties with a population of 2,000,000 or over.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 70140 of the Government Code is amended to read:

70140. In any county with a population of 2,000,000 or Los Angeles
County
Superior
court com-
missioners
over, the superior court may appoint 15 court commissioners. Each commissioner shall receive an annual salary of thirteen thousand five hundred dollars (\$13,500).

CHAPTER 1056

An act relating to funds of the State Athletic Commission and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

In effect
immediately

The people of the State of California do enact as follows:

SECTION 1. No money shall be transferred to the General Fund from the Athletic Commission Fund in augmentation of

the appropriation for support of the Veterans Home of California as provided in Item 272 of the Budget Act of 1954. Any money heretofore so transferred shall be returned by the State Controller to the Athletic Commission Fund.

SEC. 2. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to provide for the orderly and efficient administration of the fiscal affairs of the State it is essential that this act, which relates thereto be in effect prior to the commencement of the next fiscal year on July 1st.

CHAPTER 1057

An act creating the "Santa Barbara County Flood Control and Water Conservation District" for the controlling, conservation, diversion, storage, and distribution of storm, flood, and other waters, prescribing the boundaries, organization, operation, management, financing, and powers and duties of the district.

In effect
September
7, 1955

[Approved by Governor June 17, 1955. Filed with
Secretary of State June 18, 1955.]

The people of the State of California do enact as follows:

Short title SECTION 1. This act shall be known and may be cited as the Santa Barbara County Flood Control and Water Conservation District Act.

District created, boundaries SEC. 2. A flood control district is hereby created to be called the Santa Barbara County Flood Control and Water Conservation District. Said district shall consist of all the territory of the County of Santa Barbara lying within the exterior boundaries of said county. As used in this act "district" means the Santa Barbara County Flood Control and Water Conservation District.

Zones SEC. 3. The board of directors of the district created by this act, by resolution thereof adopted from time to time, may establish zones within said district without reference to the boundaries of other zones, setting forth in such resolutions descriptions thereof by metes and bounds and entitling each of such zones by a zone number or name, and institute zone projects for the specific benefit of such zones.

Such zones shall be established in the manner prescribed in Section 11 of this act, and may be created independently of the institution of any project relating to such zone.

Alternately, such zones may be formed concurrently with and as a part of the proceeding for the installation of a project

relating to such zones in the manner prescribed in Section 11 of this act.

SEC. 4. The objects and purposes of this act are to provide for the control of the flood and storm waters of said district and the flood and storm waters of streams that have their source outside of said district, but which streams and the floodwaters thereof flow into said district, and to conserve such waters for beneficial and useful purposes by spreading, storing, retaining and causing to percolate into the soil within said district, or without such district, such waters, or to save or conserve in any manner all or any of such waters, and protect from such flood or storm waters the watercourses, watersheds, harbors, public highways, life and property in said district, and to prevent waste of water or diminution of the water supply in, or exportation of water from, said district and to obtain, retain and reclaim drainage, storm, flood and other waters for beneficial use in said district.

Purposes
Flood
control, con-
servation
etc

SEC. 5. The district is hereby declared to be a body corporate and politic and as such shall have, in addition to the other powers vested in it by this act, the following powers:

District
powers

1. To have perpetual succession.

2. To sue and be sued in the name of said district.

3. To adopt a seal.

4. To acquire by grant, purchase, lease, gift, devise, contract, condemnation, construction, or otherwise, and to hold, use, enjoy, sell, let, and dispose of real and personal property of every kind, including lands, structures, buildings, rights of way, easements, and privileges, and to construct, maintain, alter and operate any and all works or improvements, within or without the district, necessary or proper to carry out any of the objects or purposes of this act and convenient to the full exercise of its powers, and to complete, extend, add to, alter, remove, repair or otherwise improve any works, or improvements, or property acquired by it as authorized by this act.

Acquisition,
etc., of
property

5. To control the flood and storm waters of said district and the flood and storm waters of streams that have their sources outside of said district, but which streams and the floodwaters thereof flow into said district, and to conserve such waters for beneficial and useful purposes of said district by spreading, storing, retaining and causing to percolate into the soil within or without said district, or to save or conserve in any manner all or any of such waters and protect from damage from such flood or storm waters the watercourses, watersheds, harbors, public highways, life and property in said district, and the watercourses outside of the district of streams flowing into the district, and to prevent waste of water or diminution of the water supply in, or exportation of water from said district, and to obtain, retain and reclaim drainage, storm, flood and other waters for beneficial use in said district; provided, that nothing in this act contained shall authorize the carrying out of any plan of improvement, the purpose of which is, or the

Control,
flood and
storm
waters, etc

Limitations

effect of which will be, to take water which flows in any watershed in said district and transport or sell same for use anywhere outside of the district when the water level of any gravel beds within the district is below the normal level and such water could reasonably be used to replenish the water level of said gravel beds; provided further, that none of the provisions of this act shall preclude the exercise by any other political subdivision that may now or hereafter exist, wholly or in part, within the district from exercising its powers, although such powers may be of the same nature as the powers of said district. Any such other political subdivision may, by written agreement with the district, provide for the use, or joint use, of property or facilities in which any such other political subdivision has an interest, or for the use, or joint use, of property or facilities in which said district has an interest.

Cooperation
with other
public
agencies

6. To cooperate and to act in conjunction with the State of California, or any of its engineers, officers, boards, commissions, departments or agencies, or with the Government of the United States, or any of its engineers, officers, boards, commissions, departments or agencies, or with any public or private corporation, or with the County of Santa Barbara, in the construction of any work for the controlling of flood or storm waters of or flowing into said district, or for the protection of life or property therein, or for the purpose of conserving said waters for beneficial use within said district, or in any other works, acts, or purposes provided for herein, and to adopt and carry out any definite plan or system of work for any such purpose.

Investiga-
tions,
studies, etc

7. To carry on technical and other investigations of all kinds, make measurements, collect data and make analyses, studies, and inspections pertaining to water supply, water rights, control of storm waters and floods and use of water, both within and without said district, and for such purposes said district shall have the right of access through its authorized representatives to all properties within said district. The district, through its authorized representatives, may enter upon such lands and make examinations, surveys, and maps thereof and such entry shall constitute no cause of action in favor of the owners of such land, except for injuries resulting from negligence, wantonness, or malice.

Surveys,
water rights,
etc

8. To enter upon any land, to make surveys and locate the necessary works of improvement and the lines for channels, conduits, canals, pipelines, roadways and other rights of way; to acquire by purchase, lease, contract, condemnation, gift, devise, or other legal means all lands and water and water rights and other property necessary or convenient for the construction, use, supply, maintenance, repair and improvement of said works, including works constructed and being constructed by private owners, lands for reservoirs for storage of necessary water, and all necessary appurtenances; to enter into contracts and agreements with, and do any acts necessary or proper for the performance of any such contracts and agreements with the

Contracts

United States, or any state, county, district of any kind, public or private or municipal corporation, association, firm, or individual, or any number of them, for the joint acquisition, construction, leasing, ownership, disposition, use, management, maintenance, repair or operation of any rights, works or other property of a kind which might be lawfully acquired or owned by the district; to acquire the right to store water in any reservoirs, or to carry water through any canal, ditch or conduit not owned or controlled by the district; to grant to any owner or lessee the right to the use of any water or right to store such water in any reservoir of the district, or to carry such water through any tunnels, canal, ditch, or conduit of the district; to enter into and do any acts necessary or proper for the performance of any agreement with any district of any kind, public or private corporation, association, firm or individual, or any number of them for the transfer or delivery to any such district, corporation, association, firm or individual of any water right or water pumped, stored, appropriated or otherwise acquired or secured, for the use of the district or for the purpose of exchanging the same for other water, water right or water supply in exchange for water, water or water supply to be delivered to said district by the other party to said agreement.

9. To incur indebtedness and to issue bonds in the manner Bonds herein provided.

10. To cause taxes or assessments to be levied and collected Taxes or assessments for the purpose of paying any obligation of the district, and to carry out any of the purposes of this act, in the manner hereinafter provided.

11. To make contracts, and to employ labor, and to do all Contracts acts necessary for the full exercise of all powers vested in said district or any of the officers thereof by this act.

12. To exercise the right of eminent domain, either within Eminent domain or without said district, and in the manner provided by law for the condemnation of private property for public use, to take any property necessary to carry out any of the objects or purposes of this act, whether such property be already devoted to any public use by any district or other public corporation, or agency, or otherwise; provided, however, that the district in exercising such power shall in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cable, poles, of any public utility which is required to be moved to a new location; and provided further, that notwithstanding any other provision of this act or any other law, no property shall be taken unless it is taken upon a finding by a court of competent jurisdiction that the taking is for a more necessary public use than that to which it has already been appropriated; and provided further, that no right shall exist in said district to take by proceedings in eminent domain any property, including water rights, appropriated to public use by any existing city

and county or municipal utility district. The district shall also have and may exercise the right to condemn any existing works or improvements in said district or along streams flowing into said district now or hereafter used to control flood or storm waters, or to conserve such flood or storm waters or to protect any property in said district or along streams flowing into said district from damage from such flood or storm waters, and it is hereby declared that the use of the property, lands, rights of way, easements, or materials which may be condemned, taken or appropriated under the provisions of this act is a public use subject to the regulation and control of the State in the manner prescribed by law; provided, however, that nothing in this act contained shall be deemed to authorize said district, or any person or persons to divert the waters of any river, creek, stream, irrigation system, canal or ditch, or the waters thereof or therein unless compensation therefor be first provided in the manner prescribed by law.

The power of eminent domain vested in the district shall include the power to condemn in the name of the district either the fee simple or any lesser estate, easement, or interest in any real property which the board of directors of the district by resolution shall determine is necessary for carrying out the purposes of this act. Such resolution shall be prima facie evidence that the taking of such fee simple or any lesser estate or easement or interest as the case may be, is necessary.

Whenever real property which is devoted to or held for some other public or quasi-public use is required by the district for any purpose authorized by this act, the district may condemn real property adjacent thereto or in the immediate vicinity thereof to be exchanged for the real property so required by the district.

Nothing in this act contained shall be construed as in any way affecting the plenary power of any existing city and county or municipal utility district or other district or public agency to provide for a water supply for such city and county or municipal utility district, or as affecting the absolute control of any properties of such city and county or municipal utility district necessary for such water supply and nothing herein contained shall be construed as vesting any power of control over such properties in such Santa Barbara County Flood Control and Water Conservation District or in any officer thereof, or in any person referred to in this act.

13. To make contracts with the County of Santa Barbara and with municipalities and public agencies, and to employ labor for the purpose of doing flood control work and for inspecting and passing upon the adequacy of drainage plans provided for each proposed new subdivision in the County of Santa Barbara.

SEC. 6. The Board of Supervisors of Santa Barbara County shall be and is hereby designated as, and empowered to act as, ex officio the Board of Directors of the Santa Barbara County Flood Control and Water Conservation District. As used else-

Contracts
with Santa
Barbara
County, etc.

Board of
directors

where in this act the terms "board" and "board of directors" mean the Board of Directors of the Santa Barbara County Flood Control and Water Conservation District.

Each member of the board of directors of the district shall serve without compensation and may receive his actual and necessary expenses in the performance of official duties under this act, payable from the funds of said district in addition to his salary as county supervisor. Compensation, expenses

All ordinances, resolutions and other legislative acts for said district shall be adopted by said board of directors, and certified to, recorded and published, in the same manner, except as herein otherwise expressly provided, as are ordinances, resolutions or other legislative acts for the County of Santa Barbara. Adoption of ordinances, etc

SEC. 7. The District Attorney, County Surveyor, County Assessor, County Tax Collector, County Clerk, County Auditor, Purchasing Agent and County Treasurer of the County of Santa Barbara, and their successors in office, and all their assistants, deputies, clerks and employees, and all other officers of said Santa Barbara County, their assistants, deputies, clerks, and employees, shall be ex officio officers, assistants, deputies, clerks and employees, respectively, of the district, and shall respectively perform, unless otherwise provided by the board, the same various duties for the district as for said Santa Barbara County, in order to carry out the provisions of this act. Ex officio officers of district

All such officers, deputies, clerks and employees may receive their actual necessary expenses in the performance of official duties under this act payable from the funds of the district. Expenses

SEC. 8. The board shall have power to make and enforce all needful rules and regulations for the administration and government of the district, and to appoint and employ all needful agents, superintendents, engineers, attorneys, and employees to properly look after the performance of any work provided for in this act and to operate and maintain said works, and to perform all other acts necessary or proper to accomplish the purposes of this act. Powers of board of directors. Rules and regulations, etc.

In addition to the officers and employees herein otherwise prescribed, the board may in its discretion appoint a chairman, a secretary and such other officers, agents and employees for the board or district as in its judgment may be deemed necessary, prescribe their duties and fix their compensation, which said officers, agents and employees so appointed shall hold their respective offices or positions during the pleasure of the board. District officers, employees

SEC. 9. The board shall have jurisdiction and power to employ competent registered engineers, or other competent personnel, to investigate and carefully devise a plan or plans to control the flood and storm waters of the district, and the zones thereof, and the flood and storm waters of streams that have their sources outside of said district but which streams and the floodwaters thereof flow into said district, and to con- Appointment of engineers

serve such waters for beneficial and useful purposes by spreading, storing, retaining or causing to percolate into the soil within or without the district, or to save or conserve in any manner, any or all of such waters, and to protect the public highways, life and property within the district, and the water-courses, harbors, and watersheds of streams flowing into the district, from damage relating to such waters; and to obtain such other information in regard thereto as may be deemed necessary or useful for carrying out the purposes of this act; and the board may direct such engineer or engineers to make and file reports from time to time with the board.

Determina-
tion of
projects

SEC. 10. The board shall determine which projects or works of improvement shall be carried out and shall determine, as to each project or work of improvement, that it is either:

1. For the common benefit of the district as a whole; or
2. For the benefit of two or more zones hereinafter referred to as participating zones; or
3. For the benefit of a single zone.

Zone
projects

SEC. 11. The board may institute projects for single zones and joint projects for two or more zones, for the financing, constructing, maintaining, operating, extending, repairing or otherwise improving any work or improvement of common benefit to such zone or participating zones. For the purpose of acquiring authority to proceed with any such project, the board shall adopt a resolution specifying its intention to undertake such project, together with the engineering estimates of the cost of same to be borne by the particular zone and in the case of participating zones the proportionate cost to be borne by each of the participating zones and fixing a time and place for public hearing of said resolution and which shall refer to a map or maps showing the general location and general construction of said project. Notice of such hearing shall be given for a period of not less than twenty (20) days. If there is a newspaper published in the district and of general circulation in the territory proposed to be formed into a zone, notice shall be given by publication once a week for two (2) consecutive weeks prior to the hearing, the last publication of which must be at least seven (7) days before said hearing. If there is no such newspaper, notice shall be given by posting notice of the hearing for a period of fourteen (14) days prior to said hearing in five (5) public places in the said territory designated by the board. Said notice shall designate a public place in any such zone where a copy of the map of the project may be seen by any interested person.

Resolution

Notice of
hearing

Hearing

At the time and place fixed for the hearing, or at any time to which said hearing may be continued, the board shall consider all written and oral objections to the proposed project. Upon the conclusion of the hearing the board may abandon the proposed project or proceed with the same, unless prior to the conclusion of said hearing a written protest against the proposed project signed by a majority in number of the holders

of title to real property, or assessable rights therein, or evidence of title thereto, representing one-half or more of the assessed valuation of the real property within such zone or within any of the participating zones for which said project was initiated, to be filed with the board, in which event further proceedings relating to such project must be suspended for not less than six months following the date of the conclusion of said hearing, or said proceeding may be abandoned in the discretion of the board.

At the said hearing, or at any time to which it may be adjourned, the board may sustain any or all of the objections filed and change or alter the boundaries of the proposed zone to conform to the needs of the zone, and to exclude any land that will not be benefited by the formation of the zone. Any owner of lands adjacent to the zone may, by written application filed with the board at or before the time of the hearing, in the discretion of the board have such lands included within the proposed zone. Other lands not included in the proposed zone by the original resolution may not be included in the zone.

In all matters in this section referred to, the last equalized assessment roll of the County of Santa Barbara next preceding the filing of the protest shall be prima facie evidence as to the ownership of real property, the names and number of the persons who are the holders of title or evidence of title, or assessable rights therein, and as to the assessed valuation of real property within the zone or within any of the participating zones for which the project was initiated.

Assessment
roll evi-
dence of
ownership

Executors, administrators, special administrators, and guardians may sign the protest provided for in this act on behalf of the estate represented by them. If the property is assessed in the name of such representatives, that fact shall establish the right of such representatives to sign the protest; if assessed in the name of the decedent, minor or incompetent person, certified copies of the letters or such other evidence as may be satisfactory to the board must be produced.

Protests
Executors,
guardians,
etc

Where real property appears to be owned in common or jointly or by a partnership, or where letters of representatives of decedents, minors or guardians are joint, only one of the owners or representatives or partners may sign the protest for all joint owners or representatives or partners; provided, the party claiming the right to protest for all produces the written consent of his co-owners or representatives or partners so to do, duly acknowledged by the consenting co-owners or representatives or partners in the manner that deeds of real property are required to be acknowledged to entitle such deeds to be recorded in the recorder's office of the county.

Joint
ownership

Where real property is assessed in the name of a trustee or trustees, such trustee or trustees shall be deemed to be the person entitled to sign the protest, and if assessed in the name of more than one trustee the right to sign the protest shall be

Trustee

determined in like manner as above provided with respect to co-owners.

Public and
private
corporations

The protest of any public or quasi-public corporation, private corporation or unincorporated association, may be signed by any person authorized by the board of directors or trustees or other managing body thereof, which authorization shall be in writing; and a proxy executed by an officer or officers thereof, attested by its seal and duly acknowledged, shall constitute sufficient evidence of such authority, and shall be filed with the board.

Property
assessed to
wrong owner

The owner of any real property or interest therein, appearing upon the assessment roll, which has been assessed in the wrong name or to unknown owners, or which has passed from the owner appearing as such on the last equalized assessment roll, since the same was made, shall be entitled to sign the protest represented thereby, either by the production of a proxy from such former owner, or by furnishing evidence of his ownership by a conveyance duly acknowledged showing the title to be vested in the person claiming the right to sign the protest, accompanied by a certificate of a competent searcher of titles, certifying that a search of the official records of the county, since the date of the conveyance, discloses no conveyance or transfer out from the grantee or transferee named in the conveyance.

Property
contracted
for sale

Where the real property has been contracted to be sold, the vendee shall be entitled to sign the protest, unless such real property is assessed in the name of the vendor, in which event the vendor shall be entitled to so do.

The board shall likewise be entitled to inquire and take evidence for the purpose of identifying any person claiming the right to sign the protest as being the person shown on the assessment roll or otherwise as entitled thereto. And, unless satisfactory evidence is furnished, the right to sign said protest may be denied.

Powers

Taxes or
assessments.

SEC 12. The board shall have power, in any year:

1. To levy ad valorem taxes or assessments upon all property in the district to pay the general administrative costs and expenses of the district, and to carry out any of the objects or purposes of this act of common benefit to the district; provided, however, that said ad valorem tax or assessment shall not exceed two cents (\$.02) on each one hundred dollars (\$100) of assessed valuation, and

Zones

2. To levy taxes or assessments in each or any of said zones and participating zones to pay the cost and expenses of carrying out, constructing, maintaining, operating, extending, repairing or otherwise improving any or all works or improvements established or to be established within or on behalf of said respective zones, according to the benefits derived or to be derived by said respective zones, by the following method:

By a levy or assessment upon all taxable property within a zone or participating zone; provided, that the total amount of all taxes and assessments levied on property within any zone

shall not exceed twenty cents (\$0.20) on each one hundred dollars (\$100) of assessed valuation, exclusive of the amounts necessary for interest and redemption of any bonds voted within such zone. It is declared that for the purposes of any tax or assessment levied under this subdivision, the property so taxed or assessed within a given zone is equally benefited.

3. To levy taxes or assessments authorized by subdivision 2 of this section in each or any of said zones, according to the special benefits derived or to be derived by the specific properties therein, to pay the cost and expenses of carrying out any of the objects or purposes of this act of special benefit to such zone or zones, including the constructing, maintaining, operating, extending, repairing, or otherwise improving any or all works of improvement established or to be established within or on behalf of said respective zone or zones.

In the event of project cooperation with any of the governmental bodies as authorized in subdivision 6 of Section 5 of this act, and requiring the making of a contract with any such governmental body for the purposes set forth in said subdivision 6, by the terms of which work is to be performed by any such governmental body in any specified zone or participating zones, for the particular benefit thereof, and by said proposed contract the district is to pay to such governmental body, a sum of money in consideration or subvention for the performance of said work by such governmental body, the board may, after proceedings in the manner prescribed in Section 11 of this act, levy and collect a special tax or assessment upon the property in such zone or participating zones, whereby to raise funds to enable the district to make such payment, in addition to other taxes or assessments herein otherwise provided for.

Project
cooperation
special tax

Said taxes or assessments shall be levied and collected together with, and not separately from, taxes for county purposes, and the revenues derived from said district taxes or assessments shall be paid into the county treasury to the credit of said district, or the respective zones thereof, and the board shall have the power to control and order the expenditure thereof for said purposes; provided, however, that no revenues, or portions thereof, derived in any zone from the taxes or assessments levied under the provisions of subdivision 2 or 3 of this section shall be expended for constructing, maintaining, operating, extending, repairing or otherwise improving any works or improvements located in any other zone, except in the case of joint projects, or for projects authorized or established outside such zone, or zones, but for the benefit thereof. In cases of projects joint to two or more zones, such zones will become, and shall be referred to as, participating zones.

Collection.
disbursement

SEC. 13. (1) Whenever the board determines that a bonded indebtedness should be incurred to pay the cost of any work or improvement in any zone or zones, the board may by resolution determine and declare the respective amounts of bonds

Bonds
Resolution

necessary to be issued in each zone in order to raise the amount of money necessary for each work or improvement and the denomination and the maximum rate of interest of said bonds. The board shall cause a copy of the resolution, duly certified by the clerk, to be filed for record in the Office of the Recorder of Santa Barbara County within five days after its issuance. From and after said filing of said copy of said resolution the board shall be deemed vested with the authority to proceed with the bond election.

Recordation

Special bond election

(2) After the filing for record of the resolution specified in subdivision (1) of this section, the board may call a special bond election in said zone or participating zones at which shall be submitted to the qualified electors of said zone or participating zones the question whether or not bonds shall be issued in the amount or amounts determined in said resolution and for the purpose or purposes therein stated. Said bonds and the interest thereon shall be paid from revenue derived from annual taxes or assessments levied as provided in this act.

The total amount of bonds issued to pay the cost of any work or improvement in any zone or zones shall not exceed five percent (5%) of the taxable property of the zones as shown by the last equalized assessment of the county.

Election called by ordinance

(3) Said board shall call such special bond election by ordinance and not otherwise and submit to the qualified electors of said zone or participating zones, the proposition of incurring a bonded debt in said zone or participating zones in the amount and for the purposes stated in said resolution and shall recite therein the objects and purposes for which the indebtedness is proposed to be incurred; provided, that it shall be sufficient to give a brief, general description of such objects and purposes, and refer to the recorded copy of such resolution adopted by said board, and on file for particulars; and said ordinance shall also state the estimated cost of the proposed work and improvements, the amount of the principal of the indebtedness to be incurred therefor, and the maximum rate of interest to be paid on said indebtedness, and shall fix the date on which such special election shall be held, and the form and contents of the ballot to be used. The rate of interest to be paid on such indebtedness shall not exceed five percent (5%) per annum. For the purposes of said election, said board shall in said ordinance establish special bond election precincts within the boundaries of each zone and participating zone and may form election precincts by consolidating the precincts established for general elections in said district to a number not exceeding six general precincts for each such special bond election precinct, and shall designate a polling place and appoint one inspector, one judge and one clerk for each of such special bond election precincts.

Conduct of election

In all particulars not recited in said ordinance, such special bond election shall be held as nearly as practicable in conformity with the general election laws of the State.

Said board shall cause a map or maps to be prepared covering a general description of the work to be done, which said map shall show the location of the proposed works and improvements and shall cause the said map to be posted in a prominent place in the county courthouse for public inspection for at least thirty (30) days before the date fixed for such election. Maps-
Posting

Said ordinance calling for such special bond election shall, prior to the date set for such election, be published in a newspaper of general circulation circulated in each zone and participating zone affected for six consecutive times if published in a daily newspaper of general circulation, or two times if published in a weekly newspaper of general circulation. The last publication of such ordinance must be at least fourteen (14) days before said election, and if there be no such newspaper, then such ordinance shall be posted in five public places designated by the board, in each zone and participating zone for at least thirty (30) days before the date fixed for such election. No other notice of such election need be given nor need polling place cards be issued. Publication
of ordinance

Any defect or irregularity in the proceedings prior to the calling of such special bond election shall not affect the validity of the bonds authorized by said election. Where a project affects a single zone only, if at such election two-thirds ($\frac{2}{3}$) of the votes cast in said zone on the proposition of incurring a bonded indebtedness are in favor thereof, then bonds for such zone for the amount stated in such proceedings shall be issued and sold as in this act provided. Where the incurring of bonded indebtedness by participating zones is to be determined at such election, no bonds for any of such participating zones shall be issued or sold unless two-thirds ($\frac{2}{3}$) of the votes cast on the proposition in each such participating zone are in favor of incurring the bonded indebtedness to be undertaken by such zone. Two-thirds
vote

SEC. 14. The board shall, subject to the provisions of this act, prescribe by resolution the form of said bonds, which must include a designation of the zone or participating zones affected, and of the interest coupons attached thereto. Said bonds shall be payable annually or semiannually at the discretion of the board each and every year on a day and date, and at a place to be fixed by said board, and designated in such bonds, together with the interest on all sums unpaid on such date until the whole of said indebtedness shall have been paid. Bonds
Form,
terms, etc

The board may divide the principal amount of any issue into two or more series and fix different dates for the bonds of each series. The bonds of one series may be made payable at different times from those of any other series. The maturity of each series shall comply with this section. The board may fix a date, not more than two years from the date of issuance, for the earliest maturity of each issue or series of bonds. Beginning with the date of the earliest maturity of each issue Series

or series, not less than one-fortieth of the indebtedness of such issue or series shall be paid every year. The final maturity date shall not exceed 40 years from the time of incurring the indebtedness evidenced by each issue or series.

Denominations

The bonds shall be issued in such denomination as the board may determine, except that no bonds shall be of a less denomination than one hundred dollars (\$100), nor of a greater denomination than one thousand dollars (\$1,000), and shall be payable on the days and at the place fixed in said bonds, and with interest at the rate specified in such bonds, which rate shall not be in excess of five per centum (5%) per annum, and shall be made payable annually or semiannually, and said bonds shall be numbered consecutively and shall be signed by the chairman of the board, and countersigned by the auditor of said district, and the seal of said district shall be affixed thereto by the clerk of the board. Either or both such signatures may be printed, engraved or lithographed. The interest coupons of said bonds shall be numbered consecutively and signed by the said auditor by his printed, engraved or lithographed signature. In case any such officers whose signatures or countersignatures appear on the bonds or coupons shall cease to be such officers before the delivery of such bonds to the purchaser, such bonds and coupons, and signatures or countersignatures shall nevertheless be valid and sufficient for all purposes the same as if such officers had remained in office until the delivery of the bonds.

Sale of bonds

SEC. 15. The board may issue and sell the bonds of any such zones authorized as hereinbefore provided at not less than par value, and the proceeds of the sale of such bonds shall be placed in the Treasury of the County of Santa Barbara to the credit of said district and the respective participating zones thereof, for the uses and purposes of the zone or zones voting said bonds; and the proper record of such transactions shall be placed upon the books of said county treasurer, and said respective zone funds shall be applied exclusively to the purposes and objects mentioned in the ordinance calling for such special bond election as aforesaid, subject to the provisions in this act contained. Payments from said zone funds shall be made upon demands prepared, presented, allowed and audited in the same manner as demands upon the funds of the County of Santa Barbara.

Liability for bonded indebtedness

SEC. 16. Any bonds issued under the provisions of this act, and the interest thereon, shall be paid by revenue derived from an annual tax or assessment levied as provided in subdivision 2 of Section 12 of this act. No zone nor the property therein shall be liable for the bonded indebtedness of any other zone, nor shall any moneys derived from taxation or assessments in any of the several zones be used in payment of principal or interest or otherwise of the bonded indebtedness chargeable to any other zone.

Tax to pay principal and interest

SEC. 17. The board shall levy a tax or assessment each year sufficient to pay the interest and such portion of the prin-

cipal of said bonds as is due or to become due before the time the proceeds from the next general tax levy are available. Such taxes or assessments shall be levied and collected in the respective zones of issuance together with and not separately from taxes for county purposes, and when collected shall be paid into the County Treasury of said Santa Barbara County to the credit of the zone of issuance, and be used for the payment of the principal and interest on said bonds, and for no other purpose; provided, that any such money remaining in such fund in the county treasury after the payment of all bonds and coupons payable from the fund, or any money in excess of an amount sufficient to pay all unpaid bonds and coupons payable from the fund, may be used for construction, operation or maintenance of zone works and improvements, and, upon the order of the auditor, may be transferred to the general or other fund of the zone, or, if the zone has no general or other fund and there is no need for such money for construction, operation and maintenance of zone works and improvements, then such money may be transferred to the district general funds upon the order of the board. The principal and interest on said bonds shall be paid by the County Treasurer of said Santa Barbara County in the manner provided by law for the payment of principal and interest on bonds of said county.

Disposition
of excess
funds

SEC. 18. The provisions of law of this State, prescribing the time and manner of levying, assessing, equalizing and collecting county property taxes, including the sale of property for delinquency, and the redemption from such sale, and the duties of the several county officers with respect thereto, are, so far as they are applicable, and not in conflict with the specific provisions of this act, hereby adopted and made a part hereof. Such officers shall be liable upon their several official bonds for the faithful discharge of the duties imposed upon them by this act. All property exempt from taxation for county purposes under the provisions of the Revenue and Taxation Code of the State of California is exempt from taxation for the purposes of this act.

Levying, etc.,
of taxes

SEC. 19. Notwithstanding Title 5, Division 2, Part 1, Chapter 8, of the Government Code, the Santa Barbara County Flood Control and Water Conservation District is validly created for the purposes of assessment and taxation. The creation of any zone in the district shall not be effective for purposes of assessment or taxation for the Fiscal Year 1955-56 and shall not be effective for such purposes for any fiscal year thereafter unless the statement and map or plat required by Title 5, Division 2, Part 1, Chapter 8, of the Government Code are filed with the county assessor and the State Board of Equalization on or before the first of February of the year in which the assessments or taxes are to be levied. Until such time as the creation of any zone shall be effective for purposes of assessment or taxation, any tax or assessment levied by the

District
validly
created

Uniform
rates

board shall be levied at a uniform rate on all property in the district.

District
investigation
law of 1933

SEC. 20. A zone formed or proposed to be formed under this act, or the acquisition of any property or the construction of any improvement thereby, shall not be subject to any of the provisions of the District Investigation Law of 1933.

Bonds
Legal
investments

SEC. 21. The bonds of the district issued for any zone thereof pursuant to this act, shall be legal investments for all trust funds, and for the funds of all insurance companies, banks, both commercial and savings, and trust companies, and for the state school funds, and whenever any money or funds may by law now or hereafter enacted be invested in bonds of cities, cities and counties, counties, school districts or municipalities in the State of California, such money or funds may be invested in the said bonds of said district issued in accordance with the provisions of this act, and whenever bonds of cities, cities and counties, counties, school districts or municipalities, may by any law now or hereafter enacted be used as security for the performance of any act, such bonds of said district may be so used.

Repeal

This section of this act is intended to be and shall be considered the latest enactment with respect to the matters herein contained and any and all acts or parts of acts in conflict with the provisions hereof are hereby repealed.

Bonds tax
exempt

SEC. 22. All bonds issued by said district under the provisions of this act shall be free and exempt from all taxation within the State of California. It is hereby declared that the district organized by this act is a reclamation district and an irrigation district within the meaning of Section 1 $\frac{1}{2}$ of Article XIII and Section 13 of Article XI of the Constitution of this State.

Contracts

SEC. 23. All contracts for any improvement or unit of work when the cost thereof, according to the estimate of the engineer, will exceed five thousand dollars (\$5,000), shall be let to the lowest responsible bidder or bidders in the manner hereinafter provided. The board shall first determine whether such contract shall be let as a single unit for the whole of the work, or shall be divided into severable convenient parts, or both, according to the best interests of the district. The board shall make call for bids and advertise such call by three (3) insertions in a daily newspaper of general circulation or by two (2) insertions in a weekly newspaper of general circulation printed and published in said district inviting sealed proposals for the construction or performance of the improvement or work before any contract is made therefor. Such call for bids shall state whether such work is to be performed as a unit for the whole thereof or shall be divided into severable, convenient specific parts, or both, as stated in the call. The board may let such work by single contract for the whole thereof as a unit or it may divide such work into severable convenient parts by separate contracts, as stated in such call, according to the best interests of the district. The board shall

Bids,
publication
of call

require the successful bidder or bidders to file with the board good and sufficient bonds to be approved by the board conditioned upon the faithful performance of the contract and upon the payment of their claims for labor and material in connection therewith, such bonds to contain the terms and conditions set forth in Title 1, Division 5, Chapter 3 of the Government Code and to be subject to the provisions of that chapter. The board shall also have the right to reject any and all bids. In the event no proposals are received pursuant to advertisement therefor, or the estimated cost of such work does not exceed the sum of five thousand dollars (\$5,000), or the work consists of channel protection, or maintenance work, or emergency work when necessary in order to protect life and property from impending flood damage, the board of directors may, without advertising for bids therefor, have said work done by day labor, under the direction of the board, by contract, or by a combination of the two. If any change or alteration in a contract awarded under the provisions of this section is deemed necessary and the cost thereof does not exceed ten percent (10%) of the original contract price, the board may authorize the contractor to proceed with the change or alteration without the formality of obtaining bids therefor. The district shall have the power to acquire in the open market without advertising for bids therefor, materials, equipment and supplies for use in any work or for any other purpose; provided, however, that materials and supplies for use in any new construction work or improvement, except work referred to in the preceding sentence, may not be purchased if the cost thereof exceeds two thousand five hundred dollars (\$2,500), without advertising for bids and awarding the contract therefor to the lowest responsible bidder.

When bids unnecessary

SEC. 24. Any improvement for which bonds are voted under the provisions of this act, shall be made in conformity with the report, plans, specifications and map theretofore adopted, as above specified, unless the doing of any of such work described in said report, shall be prohibited by law, or be rendered contrary to the best interests of the district by some change of conditions in relation thereto, subsequent to the date of filing the report, plans, specifications and map theretofore adopted, in which event the board of directors may order necessary changes made in such proposed work or improvements and may cause any plans and specifications to be made and adopted therefor.

Plans for improvements, changes

SEC. 25. Whenever bonds have been authorized by any zone or participating zone of said district and said bonds have been issued as in this act authorized, and the board shall by resolution determine that additional bonds should be issued for carrying out the work of flood control, or for any of the purposes of this act, the board may again proceed as in this act provided, and submit to the qualified voters of said zone or participating zone, the question of issuing additional bonds in the same manner and with like procedure as hereinbefore

Additional bonds

provided, and all the above provisions of this act for the issuing and sale of such bonds, and for the expenditure of the proceeds thereof, shall be deemed to apply to such issue of additional bonds.

Failure of
bond vote

SEC. 26. Should a proposition for issuing bonds for any zone or participating zones submitted at any election under this act fail to receive the requisite number of votes of the qualified electors voting at such election to incur the indebtedness for the purpose specified, the board shall not for six months after such election call or order another election in such zone or participating zone for incurring indebtedness and issuing bonds under the terms of this act for the same objects and purposes.

Exchange of
refunding
bonds

SEC. 27. The board may, with the consent of any holder or holders of outstanding bonds of the district, exchange refunding bonds bearing a lower rate of interest for such outstanding bonds.

Consent of
holder,
board
resolution

Whenever any holder of outstanding bond or bonds shall have consented to such exchange, the board may, by resolution entered in its minutes, order the refunding of such bonds. The resolution shall designate the numbers, denominations, dates of maturity and aggregate principal amounts of the bonds so to be refunded and shall provide for the issuance of refunding bonds in exchange therefor, the form, numbers, denominations, dates of maturity and aggregate principal amounts of which shall be the same as the bonds so to be refunded. The resolution shall also fix the rate of interest said refunding bonds shall bear, which rate shall be less than the rate provided in the bonds to be refunded. The resolution shall also fix the form of the interest coupons attached to said refunding bonds, which shall be the same as the bonds so to be refunded, excepting that the rate and amounts of interest shall be less as hereinabove provided.

Signatures,
coupons

The refunding bonds shall be signed by the chairman of the board or such other member of the board as said board may by resolution designate, and shall be countersigned by the treasurer of the district, and the seal of said district shall be affixed thereto. The interest coupons shall be numbered consecutively and signed by the treasurer of said district by his engraved or lithographed signature. In case any officer whose signature or countersignature appears on said bonds or coupons shall cease to be such officer before the delivery of such bonds to the purchaser, such signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until the delivery of the bonds.

Matured
coupons

Each refunding bond may be exchanged for its corresponding outstanding bond as the board by agreement with the holder of such outstanding bond may determine, except that in effecting such exchange, any and all matured coupons on said refunding bonds shall be detached and canceled and the principal and accrued interest of both issues shall be accepted at

par value and the district shall pay said holder in cash out of moneys in the bond interest fund of the district an amount equal to the difference between the interest on the outstanding bond and on the refunding bond accrued to the date of such exchange.

When any refunding bonds shall have been exchanged, taxes shall be levied and collected to pay the principal and interest thereof as provided by Section 17, all the provisions of which section shall apply to said refunding bonds to the same extent as to original issues. Taxes

The refunding bonds shall also be legal investments for fiduciaries and others as provided in Section 21. Legal investments

SEC. 28. The repeal or amendment of this act shall not in any way affect or release any of the property in said district or any zone thereof from the obligations of any outstanding bonds or indebtedness until all such bonds and outstanding indebtedness have been fully paid and discharged. Future repeals or amendments

SEC. 29. There is hereby granted to the district the right of way for the location, construction and maintenance of flood control channels, ditches, waterways, conduits, canals, storm dikes, embankments, and protective works in, over and across public lands of the State of California, not otherwise disposed of or in use, not in any case exceeding in length or width that which is necessary for the construction of such works and adjuncts or for the protection thereof. Whenever any selection of a right of way for such works or adjuncts thereto is made by the district the board thereof must transmit to the State Lands Commission, the Controller of the State and the recorder of the county in which the selected lands are situated, a plat of the lands so selected, giving the extent thereof and the uses for which the same is claimed or desired, duly verified to be correct. If the State Lands Commission shall approve the selections so made it shall endorse its approval upon the plat and issue to the district a permit to use such right of way and lands. Right of way over state lands

SEC. 30. (a) If by any judgment in condemnation or agreement the district shall be required to relocate any street, road, highway, railroad, canal or other property subject or devoted to public use, the board shall have power to acquire in the name of the district, by agreement or condemnation, all rights of way and other property necessary or proper for compliance with said agreement or said judgment of condemnation and thereafter to make such conveyance of such relocated street, road, highway, railroad, canal or other property as may be proper to comply with said agreement or judgment. Relocation of streets, etc., under condemnation judgment

(b) In the event the district and any common carrier railroad or other public utility fail to agree as to the character or location of new improvements or works sought to be performed by the district, the character and location of such new improvement or works and any other controversy relating thereto shall be submitted to and determined by the Public Utilities Location of new improvements

Commission; and jurisdiction of such controversies is hereby vested in said commission.

Applicable provisions

(c) Proceedings under this section relating to the jurisdiction of said commission may be instituted, maintained, and determined in the mode prescribed in Division 1, Part 1, Chapter 6 (Sections 1201-1220; 1402) of the Public Utilities Code of the State of California.

Claims against district

SEC. 31. Claims against the district whether arising out of contract, tort, or the taking or damaging of property without compensation must be made in writing and filed with the board within six months after the cause of action arises. Claims shall be presented in the general form and manner prescribed by general law relating to the making and filing of claims against counties. Such claims may be amended within said six months to correct defects in form or statement of facts. No action against the district shall be commenced or maintained unless such claim relating thereto has been filed as hereinabove prescribed and action thereon commenced within one year after the cause of action arose.

Property

SEC. 32. The legal title to all property acquired under the provisions of this act shall immediately and by operation of law vest in said district, and shall be held by said district, in trust for, and is hereby dedicated and set apart to, the uses and purposes set forth in this act. The board is hereby authorized and empowered to hold, use, acquire, manage, occupy and possess said property, as herein provided; and said board may determine, by resolution duly entered in its minutes that any property, real or personal, held by said district is no longer necessary to be retained for the uses and purposes thereof, and may thereafter sell, lease or otherwise dispose of said property in the manner prescribed by law for such action by counties.

Action to determine legality of district's existence

SEC. 33. The district formed under this act in order to determine the legality of its existence, may institute a proceeding therefor in the superior court of this State, in and for the County of Santa Barbara, by filing with the clerk of said county a complaint setting forth the name of the district, its exterior boundaries, the date of its organization and a prayer that it be adjudged a legal flood control district formed under the provisions of this act. The summons in such proceeding shall be served by publishing a copy thereof once a week for four weeks in a newspaper of general circulation published in said county. Within thirty (30) days after proof of publication of said summons shall have been filed in said proceeding, the State, any property owner or resident in said district, or any person interested may appear as a defendant in said action by serving and filing an answer to said complaint, in which case said answer shall set forth the facts relied upon to show the invalidity of the district and shall be served upon the district attorney before being filed in such proceeding. Such proceeding is hereby declared to be a proceeding in rem and the final judgment rendered therein shall be conclusive

Publication of summons

against all persons whomsoever, including the district and the State of California

SEC. 34. The board may require any officer or employee to give bond for the faithful performance of the duties of his office, in such penal sum as may be fixed by the board. When deemed expedient by the board, a master bond may be used which shall provide coverage on more than one officer, employee or agent of the district who is required by the district to give bond. Such bond shall be in the form and for the term which is approved by the board. The premium for such bond shall be paid by the district.

Officer and
employee
bonds

SEC. 35. Notwithstanding any provisions of this act to the contrary, in the event the proceeds from the sale of bonds of any zone are invested temporarily in United States bonds, notes or certificates of indebtedness, or in other legal investments, pending the expenditure of said funds for the purpose or purposes for which said indebtedness was incurred, any revenue or interest received or accruing therefrom may be used to pay the annual or semiannual installments of principal and/or interest on said bonds as same become due.

Investments,
interest, etc

SEC. 36. The district may contract with and cooperate with the County of Santa Barbara and the Santa Barbara County Water Agency and with districts, municipal corporations and public agencies.

Cooperation,
contracting
with Santa
Barbara
County, etc

The provisions of this act shall not be deemed to affect any of the powers or duties conferred by law on the Santa Barbara County Water Agency, except insofar as such agency is given additional powers by this act.

SEC. 37. This act, and every part thereof, shall be liberally construed to promote the object thereof, and to carry out its intents and purposes.

Construction

SEC. 38. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, or the application of such provision to other persons or circumstances, shall not be affected thereby.

Severability

CHAPTER 1058

An act to amend Section 28139 of the Government Code, relating to compensation for public service in counties of the thirty-ninth class.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 28139 of the Government Code is amended to read:

28139. In a county of the thirty-ninth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

Nevada
County
officers
Salaries

(a) The auditor, two thousand four hundred dollars (\$2,400) a year.

(b) The district attorney, six thousand dollars (\$6,000) a year.

(c) Each supervisor, three thousand dollars (\$3,000) a year for all services rendered as supervisor and as member of the board of equalization. Each supervisor shall also receive six cents (\$.06) for each mile traveled on county business, but not to exceed forty dollars (\$40) in any one calendar month, and his actual and necessary traveling expenses when traveling by order of the board of supervisors on county business outside of the county.

(d) Grand jurors and trial jurors in the superior court shall receive six dollars (\$6) for each day's attendance and mileage at the rate of thirty-five cents (\$.35) for each mile actually and necessarily traveled from their residences to the county seat in going only, to be allowed but once during each session the jurors are required to attend. The fees and mileage shall be paid by the treasurer of the county out of the general fund of the county upon warrants drawn by the county auditor upon the written order of the judge of the superior court.

The compensation provided by this section shall be payable to incumbent officers.

CHAPTER 1059

An act to amend Sections 8352, 8357 and 8358 of the Revenue and Taxation Code, and to repeal Sections 8354, 8355 and 8356 thereof, relating to aircraft fuel taxes.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 8352 of the Revenue and Taxation Code is amended to read:

Appropriation
of
money in
Motor
Vehicle Fund

8352. The money in the Motor Vehicle Fuel Fund is hereby appropriated, subject to the provisions of any budget bill heretofore or hereafter enacted and Section 661 of the Political Code, as follows:

(a) To pay the refunds authorized in this part, including refunds due on account of judgments for the return of license taxes illegally collected.

(b) To the Controller, to carry out any duties imposed upon him by this part.

(c) To the board, to carry out any duties imposed upon it by this part.

(d) To the Highway Users Tax Fund, as provided in this chapter.

(e) To pay the pro rata share of the overhead and general administrative expense of the Controller and the board at-

tributable to duties imposed by this part. The pro rata share is payable upon presentation of a claim against any appropriation from the Motor Vehicle Fuel Fund for the support of the Controller or the board, as the case may be.

(f) To the counties, as provided in this chapter, the sum of three hundred fifty thousand dollars (\$350,000) per annum, this sum representing the amount of money in the Motor Vehicle Fuel Fund attributable to taxes imposed by this part on distributions of motor vehicle fuel used or usable in propelling aircraft of a type heavier than air. Payments pursuant to this subdivision shall be made prior to payments pursuant to subdivision (d).

SEC. 2. Sections 8354, 8355 and 8356 of said code are repealed.

SEC. 3. Section 8357 of said code is amended to read:

8357. The amount available under subdivision (f) of Section 8352 shall be apportioned among the several counties. There shall first be paid to each county the sum of two thousand five hundred dollars (\$2,500) annually and the balance shall be apportioned one-half in the proportion which the population of each county bears to the total population of the State, and one-half in the proportion which the area of each county bears to the total area of the State. Such population shall be that determined in the most recent federal decennial census.

Apportionment among counties

In any county wherein there is located an airport owned by a city, 50 percent of the amount apportioned to such county shall be paid to such city. In the event that there is more than one such city within the county, the cities' share shall be divided among such cities in the proportion which the population of each city bears to the total population of airport-owning cities within the county.

SEC. 4. Section 8358 of said code is amended to read:

8358. The amounts paid to the several counties shall be paid into a special aviation fund established by the counties and may be expended in counties having a population of less than 100,000 for capital outlays or maintenance for aviation or airport purposes and not for administration. In counties having a population of 100,000 or more such money may be expended only for capital outlays for aviation or airport purposes. Any city receiving money under Section 8357 may expend such money only for the purposes for which the county in which the city is located may expend such money as provided in this section. If any county has not established such an aviation fund, its proportion of the apportionment shall be retained by the State until provision for such an aviation fund has been made, and it shall then be paid over to the county. Any county may pay any part of the money in its special aviation fund to any city, state college or branch of the University of California located in the county to be expended for the same purposes as the county may expend money in its aviation fund. Any money paid to a state college or branch

Disposition
Special
aviation
fund, etc

of the University of California shall be expended within the county paying the money. Any city may pay any part of the money it receives under Section 8357 to the county within which it is located to be expended for expenditure for the purposes specified for such county by this section.

CHAPTER 1060

An act remising, releasing and quitclaiming to the Regents of the University of California the properties in the County of Santa Barbara which were heretofore transferred to and vested in said the Regents of the University of California by an act entitled "An act to authorize the creation of a branch of the University of California at Santa Barbara, to abolish Santa Barbara State College, to transfer to the Regents of the University of California all properties belonging to or used for the benefit of said college, including moneys appropriated and unexpended, or which may be appropriated, to grant to employees of Santa Barbara State College who may become employees of the University of California, certain privileges with respect to membership in retirement and pension systems" approved June 8, 1943, and also remising, releasing and quitclaiming to the Regents of the University of California all real property acquired by the State of California and transferred to the Regents of the University of California for the branch of the University of California at Santa Barbara pursuant to the provisions of an act entitled "An act making an appropriation for the acquisition of land for the branch of the University of California at Santa Barbara providing for the transfer thereof to the Regents of the University of California for such use, declaring the urgency thereof, and providing that this act shall take effect immediately," approved June 13, 1944.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

Remise,
release, etc.,
of property
to University
of California

SECTION 1. The State of California hereby unconditionally remises, releases, quitclaims and confirms to the Regents of the University of California all the properties transferred to and vested in said the Regents of the University of California by an act of the Legislature of the State of California entitled "An act to authorize the creation of a branch of the University of California at Santa Barbara, to abolish Santa Barbara State College, to transfer to the Regents of the University of California all properties belonging to or used for the benefit of said College, including moneys appropriated and unexpended, or which may be appropriated, to grant to employees of Santa Barbara State College who may become employees

of the University of California, certain privileges with respect to membership in retirement and pension systems" approved June 8, 1943, and all that certain real property transferred to the Regents of the University of California pursuant to an act of the Legislature of the State of California entitled "An act making an appropriation for the acquisition of land for the branch of the University of California at Santa Barbara providing for the transfer thereof to the Regents of the University of California for such use, declaring the urgency thereof, and providing that this act shall take effect immediately" approved June 13, 1944, and all other properties of every kind, real, personal and mixed, located upon, connected with, or pertinent to the said properties above designated and particularly frees and discharges the said properties from all limitations, conditions, and reservations specified or imposed by or withheld in the said act of June 8, 1943 and the said act of June 13, 1944. Said the Regents of the University of California are hereby given full power and authority to sell, lease or otherwise deal with or dispose of the said properties, either as a whole or in several parts, and to receive the sale price or other proceeds and to use the same for purposes of the University of California subject to the provisions of Section 2 of this act.

SEC. 2. The proceeds of any sale or other disposition of the said properties, or any of them, shall be expended for construction, improvements and equipment at University of California Santa Barbara College, located near Goleta, in the County of Santa Barbara. Disposition
of proceeds

SEC. 3. Among the properties hereby released, remised, quitclaimed and confirmed to said the Regents of the University of California are all those certain lots, pieces and parcels of land situate in the City of Santa Barbara, County of Santa Barbara, State of California, conveyed by and particularly described in the following deeds: Description
of properties

1. Deed from the State of California to the Regents of the University of California, dated the 21st day of January, 1949, and recorded on the 6th day of April, 1949, in Book 847 of Official Records, page 315, Records of Santa Barbara County, State of California;

2. Deed from the State of California to the Regents of the University of California, dated the 21st day of January, 1949, and recorded on the 6th day of April, 1949, in Book 847 of Official Records, page 328, Records of Santa Barbara County, State of California; and

3. Deed from the State of California to the Regents of the University of California, dated the 3rd day of November, 1950, and recorded on the 15th day of November, 1950, in Book 953 of Official Records, page 369, Records of Santa Barbara County, State of California.

Reservation
of mineral
rights

SEC. 4. In any deed conveying to any person or legal entity other than the State of California, all or any part of the real property by this act remised, released and quitclaimed, the Regents of the University of California shall reserve to the Regents of the University of California all deposits of minerals, including oil and gas, which may exist at or below a level 500 feet below the surface of the land conveyed; provided, that such deed may provide that any means by which such rights may or shall be exercised shall not interfere with or in anywise prevent enjoyment of surface use or use to a level 500 feet below the surface.

Repeal

SEC. 5. All acts or parts of acts in conflict with this act are hereby repealed.

CHAPTER 1061

An act to add Section 13109.1 to the Government Code, relating to the power of the Director of Finance to lease state property.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13109.1 is added to the Government Code, to read:

13109.1. Notwithstanding Section 13109, the Director of Finance, with the consent of the state agency concerned, may let for any period of time any real or personal property which belongs to the State, for radio or television purposes where he deems such letting is in the best interests of the State.

CHAPTER 1062

An act to amend Section 7030 of the Business and Professions Code, relating to the licensing and regulation of contractors.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7030 of the Business and Professions Code is amended to read:

7030. Any person who acts in the capacity of a contractor without a license is guilty of a misdemeanor.

CHAPTER 1063

An act to amend Section 374.5 of the Vehicle Code, relating to license plates.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 374.5 of the Vehicle Code is amended to read:

374.5. Exceptions as to Type of License Plates for Exempt Vehicles. The department may issue for any exempt vehicle license plates in the series of plates issued for nonexempt vehicles. Such plates may be issued for a period not extending beyond the then current calendar year and only upon the certification of the Attorney General that the issuance of such plates has been requested by the head of a law enforcement agency of a city, city and county, county, state, or federal department, that the vehicle is assigned to the duty of investigating actual or suspected violations of the law or the supervision of persons liberated from a state prison or other institution under the jurisdiction of the Department of Corrections by parole, and is intended for the use in line of duty of regularly employed law enforcement officers of a city, city and county, county, state or federal department. The department may issue such plates to the Department of Finance for use on motor vehicles maintained within motor vehicle pools of state-owned vehicles when such vehicles are used for the purposes set forth in this section; provided however, that the Department of Finance shall assign, dispatch or otherwise make any such vehicle available for use by any agency of the State only upon the certification of the Attorney General provided for in this section. The department shall maintain a record of any such registration, which record shall not be open to public inspection. Such record shall be disclosed in the event of any accident involving such vehicle on demand of the Attorney General or upon an order of court.

CHAPTER 1064*An act to amend Section 995 of the Agricultural Code, relating to fig trees.*

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 995 of the Agricultural Code is amended to read:

995. Capri fig trees unless properly controlled and regulated under supervision constitute a menace because they are a source of infection and pests, and capri figs unless properly treated contribute to, and are responsible for the transmission of endosepsis and other plant diseases by the blastophaga therein. In the interest of the public welfare and general prosperity of the State and to provide for the control, eradication, elimination and prevention of endosepsis and other plant diseases, all capri fig trees used for shade, ornamental or decorative purposes, and all capri fig trees in or associated with a fig orchard or orchards producing Calimyrna or other Smyrna type figs aggregating in number more than one and one-half per centum of the fig trees therein, are hereby declared unlawful and consequently a public nuisance; provided, that every commercial grower of Calimyrna or other Smyrna type fig shall be entitled to maintain at least one capri fig tree in connection with his planting. The commissioner shall notify the owner of such tree or trees declared by this section to be a public nuisance to graft or destroy the same within a time specified in the notice, and upon failure of the owner so to do within the time specified in the notice, shall cause the grafting or destruction of such tree or trees in a summary manner and at the expense of the owner. Instructions by the commissioner for application of methods best designed to accomplish the purposes of the notice by the owner may be furnished to such owners at the time of serving the notice.

A Calimyrna grower, regardless of the size of his holdings, must follow the standard procedures for cleanup of capri fig trees by picking the mamme capri figs before the wasps begin to issue, and treating the same with a fungicide, according to recognized procedures. Failure to comply with this provision as evidenced by the presence of both mamme and set profichi figs in the trees at the same time shall constitute a public nuisance and the capri figs, or the trees, or both, shall be destroyed by the owner, or by the commissioner, in the manner specified above, but before the profichi capri fig crop matures, and at the owner's expense.

CHAPTER 1065

An act to amend Section 2 of the Solano County Flood Control and Water Conservation District Act (Chapter 1656 of the Statutes of 1951), relating to the Solano County Flood Control and Water Conservation District.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 2 of the Solano County Flood Control and Water Conservation District Act is amended to read:

Sec. 2. As used in this act, the following words shall have Definitions the following respective meanings except by the context otherwise indicated:

(a) "The district" shall mean the Solano County Flood Control and Water Conservation District;

(b) "The county" shall mean the County of Solano, State of California;

(c) "United States" shall include the United States of America and all bureaus, commissions, divisions, departments, boards, agencies and officers of the United States of America.

(d) "State of California" shall include the State of California and all bureaus, commissions, divisions, departments, boards, agencies and officers of the State of California;

(e) "Work" or "works" shall include dams and dam sites, all reservoirs and reservoir sites, and all conduits and other facilities useful in the control, conservation, diversion and transmission of surface waters, and all land, property, franchises, easements, rights of way and privileges necessary or useful to operate or maintain any of the foregoing;

(f) "Member unit" shall mean any county water district, reclamation district, irrigation district, water conservation district, municipality, flood control district and other district or political subdivision of the State empowered by law to appropriate water and to deliver to water users, the territory of which lies entirely within the exterior boundaries of the County of Solano and any city located outside the County of Solano, which is contiguous to the County of Solano, which member unit may enter into a contract with the district for (I) the repayment in whole or part to the district or any other person, corporation, public district, State of California, or the United States, of any or all of the construction costs of any works constructed by or on behalf of the district, or for (II) the underwriting in whole or part of any or all of such construction costs, or for (III) the repayment in whole or in part to the district or any other person, corporation, public district, State of California or the United States of any or all of the cost of furnishing water or a water supply to the district or the underwriting in whole or in part of such cost, or for (IV) the payment in whole or in part for water to be furnished or sold to such district by the district or the United States.

(g) "Elector" or "qualified elector" or "voter" or "qualified voter" shall mean any elector of the district qualified under the laws of the State of California to vote at general elections;

(h) "May" is permissive and "shall" is mandatory.

CHAPTER 1066

An act to amend Section 25371 of the Government Code, relating to contracts of counties concerning real property.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 25371 of the Government Code is amended to read:

25371. Notwithstanding any other provision of law, the board of supervisors of any county is hereby authorized and empowered to let to any person, firm or corporation, for a term not to exceed 40 years, any real property which belongs to the county; provided, that the use to which such property will be put, after construction thereon, is consistent with the use or purposes contemplated upon the original acquisition of such property or to which such property has been dedicated. Any instrument by which such property is let as aforesaid shall require the lessee therein to construct on the demised premises a building or buildings for the use of the county during the term thereof, shall provide that title to such building shall vest in the county at the expiration of said term and shall contain such other terms and conditions as the board of supervisors may deem to be in the best interests of the county. No county shall enter into any such contract if at the time 60 percent of the total payments which would become due from the county if all leases, including the contract to be let, entered into under the authority of this section, were to run their full term plus the total amount of county bonded indebtedness outstanding at said time exceeds the maximum bonded indebtedness of the county.

CHAPTER 1067

An act to amend Section 214 of the Revenue and Taxation Code, relating to the property tax welfare exemption in respect to property used for scientific purposes.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 214 of the Revenue and Taxation Code is amended to read:

Welfare
exemption

214. Property used exclusively for religious, hospital, scientific, or charitable purposes owned and operated by community chests, funds, foundations or corporations organized and operated for religious, hospital, scientific, or charitable purposes is exempt from taxation if:

(1) The owner is not organized or operated for profit; provided, that in the case of hospitals, such organization shall not be deemed to be organized or operated for profit, if during the immediate preceding fiscal year the excess of operating revenues, exclusive of gifts, endowments and grants-in-aid, over operating expenses shall not have exceeded a sum equivalent to 10 percent of such operating expenses. As used herein, operating expenses shall include depreciation based on cost of replacement and amortization of, and interest on, indebtedness; Conditions

(2) No part of the net earnings of the owner inures to the benefit of any private shareholder or individual;

(3) The property is used for the actual operation of the exempt activity;

(4) The property is not used or operated by the owner or by any other person so as to benefit any officer, trustee, director, shareholder, member, employee, contributor, or bondholder of the owner or operator, or any other person, through the distribution of profits, payment of excessive charges or compensations or the more advantageous pursuit of their business or profession;

(5) The property is not used by the owner or members thereof for fraternal or lodge purposes, or for social club purposes except where such use is clearly incidental to a primary religious, hospital, scientific, or charitable purpose;

(6) The property is irrevocably dedicated to religious, charitable, scientific, or hospital purposes and upon the liquidation, dissolution or abandonment of the owner will not inure to the benefit of any private person except a fund, foundation or corporation organized and operated for religious, hospital, scientific, or charitable purposes;

(7) The property, if used exclusively for scientific purposes, is used by a foundation or institution which, in addition to complying with the foregoing requirements for the exemption of charitable organizations in general, has been chartered by the Congress of the United States (except that this requirement shall not apply when the scientific purposes are medical research), and whose objects are the encouragement or conduct of scientific investigation, research and discovery for the benefit of the community at large.

The exemption provided for herein shall be known as the "welfare exemption." This exemption shall be in addition to any other exemption now provided by law. This section shall not be construed to enlarge the college exemption. Property used exclusively for school purposes of less than collegiate grade and owned and operated by religious, hospital or charitable funds, foundations or corporations, which property and funds, foundations or corporations meet all of the requirements of this section, shall be deemed to be within the exemption provided for in Section 1c of Article XIII of the Constitution of the State of California and this section. Construction

CHAPTER 1068

An act to amend Sections 8522 and 8621 of the Business and Professions Code, relating to structural pest control.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 8522 of the Business and Professions Code is amended to read:

Structural
Pest
Control
Board
Appointment,
terms, etc

8522. Members of the board shall be appointed by the Governor for a term of four years, subject to removal by him at his pleasure.

The terms of the members of the board in office when this chapter takes effect shall expire as follows:

Two members, January 15, 1942; one member, January 15, 1943; one member, January 15, 1944; and one member, January 15, 1945.

The terms shall expire in the same relative order as to each member as the terms for which he holds office before this chapter takes effect.

Vacancies shall be filled by the Governor for the unexpired term.

Each member shall hold office until the appointment and qualification of his successor or until six months shall have elapsed since the expiration of the term for which he was appointed, whichever first occurs. No person shall serve as a member of the board for more than three consecutive terms, but this provision shall not apply to any member in office at the time this provision takes effect.

SEC. 2. Section 8621 of said code is amended to read:

Filing of
accusations

8621. All accusations against licensees shall be filed within two years after the act or omission alleged as the ground for disciplinary action, except that with respect to an accusation alleging a violation of Section 8637, the accusation may be filed within two years after the discovery by the board of the alleged facts constituting the fraud or misrepresentation prohibited by the section.

CHAPTER 1069

An act to amend Section 7580 of the Business and Professions Code, relating to private investigators and adjusters.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 7580 of the Business and Professions Code is amended to read:

7580. The amount of fees prescribed by this chapter, unless otherwise fixed, is that fixed in the following schedule:

(a) The application fee for an original license in any classification is twenty-five dollars (\$25).

(b) The fee for an original license as a private investigator, or as a private investigator and private patrol operator shall be fixed by the director at not more than fifty dollars (\$50) nor less than ten dollars (\$10).

(c) The fee for an original license as a private patrol operator shall be fixed by the director at not more than twenty-five dollars (\$25) nor less than five dollars (\$5).

(d) The amount of the renewal license fee for any classification is the same as fixed herein for the original license fee.

(e) The application and license fee for classifications prescribed by the director, in addition to those provided for in this chapter, and the application and license fees for a change in the type of business organization of a licensee, shall be in the amount prescribed by rule and regulation of the director.

(f) The reinstatement fee for a license which has been forfeited for failure to renew within the time fixed by this chapter is the amount of the annual license fee plus a penalty of fifty percent (50%) thereof.

(g) The fee for an original license as an insurance adjuster shall be the same as prescribed in subdivision (b) of this section.

(h) The fee for the issuance of a branch office certificate is five dollars (\$5).

(i) The fee for re-examination of an applicant or his manager is ten dollars (\$10).

CHAPTER 1070

An act to amend Sections 4226, 4230, 4247, 4259, 4270, 4273, 4274, 4280, 4296, and 4351 of, to add Sections 4223, 4231, 4284, and 4355.5 to, to amend and renumber Sections 4292 and 4294.5 of, and to repeal Sections 4272 and 4291 of, the Agricultural Code, relating to stabilization and marketing of fluid milk and fluid cream.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4223 is added to the Agricultural Code, to read:

4223. "Fluid skim milk" means skim milk as defined in this code that is derived from market milk and conforms to the health and sanitary regulations of the place where sold or disposed of for human consumption. "Fluid
skim
milk"

SEC. 2. Section 4226 of said code is amended to read:

4226. Class 1 comprises any fluid milk, fluid skim milk, or fluid cream that is supplied to consumers as market milk, Class 1

market skim milk, or market cream or concentrated milk or any combination of market milk, market skim milk, and market cream, or any market milk which is not packaged in hermetically sealed containers, or any other dairy product in which the use of market milk or fluid skim milk is required by the provisions of this code, or any fluid milk, fluid skim milk, or fluid cream which is used in standardizing market milk.

SEC. 3. Section 4230 of said code is amended to read:

Establish-
ment of
minimum
prices

4230. In designating and prescribing or providing methods for designating and prescribing minimum price to be paid by distributors to producers for Classes 1, 2 or 3 fluid milk, the director may take into consideration the market price of all milk which may be used for the same purposes set forth in such respective classes; but in no event shall any distributor pay producers or any association of producers less than the applicable price established for Class 1 usage for all usages required by the provisions of this code to be comprised of market milk, market cream, or market fluid skim milk, as such usages are defined in Section 4226; and no payment shall be made by distributors to producers or any association of producers of prices lower than those established in the applicable stabilization and marketing plan for Class 3 usage.

SEC. 4. Section 4231 is added to said code, to read:

Same

4231. In determining the minimum prices to be paid by distributors to producers or associations of producers for the several class usages for a marketing area, the director may establish prices for fluid milk, or fluid cream and fluid skim milk, or milk fat or fluid skim milk components of such fluid milk. Any such minimum prices established by the director shall be applicable to all fluid milk, or fluid cream and skim milk, or milk fat or fluid skim milk components of such fluid milk utilized in such marketing area, in accordance with the several class usages of such fluid milk or such components of such fluid milk regardless of the area of origin.

Maximum
service
charges

The stabilization and marketing plan may further provide for maximum charges for plant and transportation services on the fluid milk, fluid cream and fluid skim milk, or milk fat or fluid skim milk components which are transported to the area where sold. The stabilization and marketing plan shall enumerate the applicable maximum charges, and shall establish individual charges for each function enumerated.

SEC. 5. Section 4247 of said code is amended to read:

Minimum
prices

4247. In the event that the director establishes under this chapter a stabilization and marketing plan for fluid milk, the director shall prescribe minimum prices to be paid by distributors for fluid cream, fluid skim milk, or milk fat, or fluid skim milk components of such fluid milk, under such a stabilization and marketing plan; provided, that the prices so prescribed shall be based upon the economic relationship of the price of fluid milk for the marketing area involved from which the fluid cream and skim milk are derived, to the price of manufacturing milk, taking into consideration the additional costs

incurred in producing and marketing such fluid milk over and above such costs incurred in producing and marketing such manufacturing milk.

SEC. 6. Section 4259 of said code is amended to read:

4259. Whenever the director determines that it is probable that one or more factors or conditions which affect prices of fluid milk and fluid cream and fluid skim milk have changed on a relatively uniform basis throughout two or more marketing areas he may consolidate the hearings on the matter of price changes for such areas. No price change shall be made as a result of such a consolidated hearing unless it is uniform throughout the areas affected. Hearings
consolidated

SEC. 7. Section 4270 of said code is amended to read:

4270. The director shall designate marketing areas which he deems necessary or advisable to effectuate the purposes of this chapter, and wherein he finds the conditions affecting the production, distribution and sale of fluid milk, fluid cream and fluid skim milk are reasonably uniform. The director shall have the power to establish additional areas or to modify areas theretofore established when he deems the establishment or modification of such areas necessary or advisable to effectuate the purposes of this chapter. When the director finds, after a public hearing in and for each particular marketing area under consideration for consolidation, that conditions of production and distribution are reasonably uniform in two or more such marketing areas wherein stabilization and marketing plans and minimum wholesale and minimum retail prices are in effect, he may consolidate the areas; provided, that at said hearings more than thirty-five (35) percent of the producers present who supply the areas proposed to be consolidated do not object to such consolidation. Marketing
areas Des-
ignation

Consol-
idation

SEC. 8. Section 4272 of said code is repealed. Repeal

SEC. 9. Section 4273 of said code is amended to read:

4273. If the director finds that a stabilization and marketing plan is necessary to accomplish the purposes of this chapter, he shall formulate a stabilization and marketing plan for fluid milk for such area and issue a notice of public hearing upon the plan formulated to all producers and distributors of record with the Department of Agriculture who may be subject to the provisions of such plan. The notice of hearing may be effected by mail, or by publication for five successive days in a newspaper of general circulation in the area designated and shall specify the time and place of such hearing, which shall not be held prior to 10 days from the mailing, or from the final publication of such notice; provided, however, that if no daily newspaper of general circulation is published in the area designated, publication of notice for two successive weeks in a weekly newspaper of general circulation in the area will be considered proper publication of notice. At the hearing, interested parties shall be heard and records kept of the proceedings of such hearing for determination by the director whether the plan proposed Notice of
hearing

will accomplish the purposes of this chapter. If, after public hearing the director determines that the proposed plan will tend to accomplish the purposes of this chapter within the standards herein prescribed, he shall issue an order to all producers and distributors of record with the director, and subject to the provisions of such plan, declaring such plan in effect within 30 days from the date of such hearing.

SEC. 10. Section 4274 of said code is amended to read:

Local control boards
Personnel,
duties, etc

4274. The director may appoint local control boards for the marketing areas established as prescribed in this chapter to assist and advise him in matters pertaining to the production and marketing of fluid milk or to the operation of a stabilization and marketing plan. The board shall consist of seven members who shall be producers who supply fluid milk to the particular marketing area. The term of office of each such member shall be two years, unless the plan is terminated before said term expires. Said local board may meet in regular session each month, and each member shall be allowed ten dollars (\$10) per diem and mileage at the rate of five cents (\$.05) per mile for attending such regular meetings. The board, or any member thereof, may be allowed actual and necessary expenses incurred in attending any meeting or conference called or authorized by the director within or outside of the boundaries of the State of California. Said board with the previous approval of the director may employ such personnel as may be necessary in the performance of its duties and shall adopt rules and regulations for its conduct. The board shall submit a budget of its expenses to the director for his approval. The funds to be used for the maintenance of the board shall be paid from the proceeds of assessments and licenses paid to the director under the plan upon verified claims presented by the board to the director. The board shall not incur any expenses other than those for per diem and mileage, unless approved by the director.

SEC. 11. Section 4280 of said code is amended to read:

Unfair
practices

4280. Each stabilization and marketing plan shall contain provisions for prohibiting distributors and retail stores from engaging in the unfair practices hereinafter set forth:

(a) The payment, allowance or acceptance of secret rebates, secret refunds, or unearned discounts by any person, whether in the form of money or otherwise

(b) The giving of any milk, cream, dairy products, services or articles of any kind, except to bona fide charities, for the purpose of securing or retaining the fluid milk or fluid cream or fluid skim milk business of any customer.

(c) The extension to certain customers of special prices or services not made available to all customers who purchase fluid milk or fluid cream or fluid skim milk of like quantity under like terms and conditions.

(d) The false or misleading advertising of fluid milk or fluid cream or fluid skim milk as defined in Sections 17500, 17501, and 17502 of the Business and Professions Code.

(e) The purchase of any fluid milk in excess of 200 gallons monthly from any producer or association of producers unless a written contract has been entered into with such producer or association of producers. Such contract shall include the following: (1) the amount of fluid milk to be purchased for any period; (2) the quantity of such milk to be paid for as Class 1. Such quantity shall be stated in pounds of milk or pounds of milk fat or gallons of milk; provided, that if the price to be paid for such Class 1 milk is established separately for the milk fat and skim milk contained in such milk, such quantity to be paid for as Class 1 shall be stated in pounds of milk or pounds of milk fat or gallons of milk or both in pounds of milk fat and pounds of skim milk separately, but in any marketing area where an equalization pool is a part of a stabilization and marketing plan, such contract need not specify the quantity of milk in any one class; (3) the price to be paid for all milk received; (4) the date and method of payment for such fluid milk, which shall be that payment shall be made for approximately one-half of the milk delivered in any calendar month not later than the first day of the next following month and the remainder not later than the fifteenth day of said month; (5) the charges for transportation if hauled by the distributor; and (6) a proviso to the effect that the producer shall not be obligated to deliver in any calendar month fluid milk to be paid for at or less than the minimum price for fluid milk that is used for Class 3, as said class is defined in Section 4228. The contract may contain such other provisions as are not in conflict with this chapter. A signed copy of such contract shall be filed by the distributor with the director within five days from the date of its execution. The provisions of this subdivision relating to dates of payment shall not apply to contracts for the purchase of fluid milk from nonprofit cooperative associations of producers.

(f) The purchasing, processing, bottling, transporting, delivering or otherwise handling in any marketing area of any fluid milk or fluid cream or fluid skim milk which is to be or is sold or otherwise disposed of by such distributor at any place in the geographical area within the outer, outside and external boundaries or limits of such marketing area, whether such place is a part of the marketing area or not, at less than the minimum wholesale and minimum retail prices effective in such marketing area.

(g) The payment by a distributor to any producer, including any association of producers, or the receipt by a producer, including any association of producers, from a distributor, of a lesser price for any fluid milk or fluid cream or fluid skim milk which is distributed to any person, including agencies of the federal, state or local government, located upon property within the geographical limits of any marketing area for less than the minimum prices established by the director to be paid by distributors to producers for fluid milk, or the milk fat and skim milk contained therein, or fluid cream or fluid skim

milk for said marketing area. The provisions of this section with respect to fluid milk shall apply whether or not such fluid milk is received by the distributor as whole milk, or as skim milk and fluid cream, or either, or as any other derivatives of such fluid milk which are reconstituted into such fluid milk, or fluid cream or fluid skim milk for market usage, and whether or not a fluid cream plan has been established for the marketing area.

Repeal

SEC. 12. Section 4291 of said code is repealed.

SEC. 13. Section 4292 of said code is amended and re-numbered to read:

Establish-
ment of
minimum
prices

4283. Each such plan shall contain provisions whereby the director shall provide methods for the establishment of minimum prices for fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk or fluid skim milk, received within a marketing area regardless of whether such fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk or fluid skim milk, is subsequently sold or distributed within or without such marketing area within the jurisdiction of the State of California, and may contain such provisions whether or not such fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk or fluid skim milk is subsequently sold or distributed without the jurisdiction of the State of California. Such stabilization and marketing plans shall provide for the establishment of prices for fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk or fluid skim milk, whether or not such fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk or fluid skim milk, is subsequently sold or distributed in another marketing area within the State of California where a stabilization and marketing plan is in effect. The stabilization and marketing plan shall provide that producers shall be paid not less than the minimum prices established for the marketing area wherein such fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk or fluid skim milk, is ultimately sold or distributed, and shall further provide that in the event such fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk, fluid skim milk, is subsequently sold or distributed in any place within the jurisdiction of the State of California where no stabilization and marketing plan is in effect, then such fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk or fluid skim milk, shall be paid by the distributor to the producer thereof at not less than the average of prices paid by distributors, whose plants are located within such area, to producers for fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk, but in the event no plants are located within said area, then the price which shall be paid by the distributor to the producer thereof shall not be less than the average of prices paid by distributors to producers for fluid milk, fluid cream, or fluid skim milk, or the milk fat or fluid skim milk

components of such fluid milk, at the plants in the nearest marketing areas adjacent to the area where such fluid milk, fluid cream, or the milk fat or fluid skim milk components of such fluid milk or fluid skim milk, is sold or distributed as established by the stabilization and marketing plans in effect in such adjacent marketing areas.

SEC. 14. Section 4294.5 of said code is amended and re-numbered to read:

4282. Each such stabilization and marketing plan shall contain provisions whereby the director designates and prescribes or provides methods for designating or prescribing minimum prices to be paid by distributors to producers for fluid milk which is received by a distributor in one marketing area and separated in that area into fluid cream and fluid skim milk when such fluid cream or fluid skim milk or both are transported for utilization into another marketing area or into a locality in which no stabilization or marketing plan is in effect. This section shall not be construed to affect the provisions of this chapter relating to the establishment of minimum wholesale and minimum retail prices for fluid cream.

Fluid milk
utilized in
another
marketing
area

SEC. 15. Section 4284 is added to said code, to read:

4284. The repeal of Sections 4272 and 4291 shall not be construed to affect the validity and continuing effect of any stabilization and marketing plan for fluid cream heretofore established by the director in any marketing area. Any such plan shall continue in effect, and may be amended or terminated only as provided in Section 4248.

Effect of
repeals

SEC. 16. Section 4296 of said code is amended to read:

4296. No distributor subject to the provisions of any stabilization and marketing plan shall purchase milk from producers who do not comply with the provisions of this chapter and such plan. No such plan shall involve a limitation upon the production of fluid milk, fluid cream or fluid skim milk.

Prohibitions

SEC. 17. Section 4351 of said code is amended to read:

4351. In all marketing areas wherein a stabilization and marketing plan for fluid milk is in effect or is hereafter established under the provisions of this chapter, the director shall designate and prescribe or provide methods for designating and prescribing minimum wholesale and minimum retail prices for fluid milk, including pasteurized concentrated milk, pursuant to the provisions of this article.

Minimum
wholesale
and retail
prices

In all marketing areas wherein a stabilization and marketing plan for fluid cream is in effect or is hereafter established under the provisions of this chapter, or wherein the director has, under a stabilization and marketing plan for fluid milk, prescribed minimum prices to be paid by distributors for fluid cream, the director may designate and prescribe, or provide methods for designating and prescribing, minimum wholesale and minimum retail prices for fluid cream, pursuant to the provisions of this article.

SEC. 18. Section 4355.5 is added to said code, to read:

Considera-
tion of
prices paid
by distribu-
tors to
producers

4355.5. In determining minimum wholesale and minimum retail prices for any marketing area, the prices paid by distributors to producers as established pursuant to this chapter shall also be considered as the cost of fluid milk, fluid skim milk, or fluid cream to any association of producers, or other cooperative association, incorporated or unincorporated, engaged in the distribution of fluid milk, fluid skim milk, or fluid cream.

CHAPTER 1071

An act to amend Section 445 of the Education Code, and to amend Sections 28145 and 28151 of the Government Code, relating to county salaries.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 445 of the Education Code is amended to read:

Plumas
County
Superintend-
ent of
Schools
Salary

445. The annual salary of the county superintendent of schools of a county of the forty-fifth class is five thousand four hundred dollars (\$5,400), and he shall possess a valid elementary or secondary teaching credential issued by the State Board of Education.

SEC. 2. Section 28145 of the Government Code is amended to read:

Plumas
County
officers
Salaries

28145. In a county of the forty-fifth class the following shall receive as compensation for the services required of them by law or by virtue of their offices the following sums:

(a) The auditor, five thousand four hundred dollars (\$5,400) a year.

(b) The district attorney, seven thousand two hundred dollars (\$7,200) a year.

(c) Each supervisor, three thousand six hundred dollars (\$3,600) a year and mileage from his residence to the county seat at each sitting of the board, twenty cents (\$.20) a mile, such compensation to be in full for services as supervisor.

(d) Grand and trial jurors, five dollars (\$5) per day and such mileage fees as are allowed by law.

The compensation provided by this section shall be payable to incumbent officers.

SEC. 3. Section 28151 of said code is amended to read:

Modoc
County
officers
Salaries

28151. In a county of the fifty-first class the following shall receive as compensation for services required of them by law or by virtue of their offices the following sums:

(a) The auditor, two thousand four hundred dollars (\$2,400) a year and such fees as are allowed by law.

(b) The district attorney, four thousand eight hundred dollars (\$4,800) a year.

(c) Each supervisor, three thousand six hundred dollars (\$3,600) a year, and mileage at the rate of fifteen cents (\$0.15) a mile in traveling from his residence to attend regular meetings of the board and in returning.

Each supervisor shall also be allowed fifteen cents (\$0.15) a mile for each mile actually traveled in inspecting county roads, not to exceed three hundred dollars (\$300) annually.

(d) For attending as a grand juror or as a trial juror in the superior court in criminal cases, three dollars (\$3) for each day's attendance. For each mile actually traveled in attending upon the superior court, in going only, twenty-five cents (\$0.25). The grand jurors and trial jurors in criminal cases shall be paid by warrants drawn by the county auditor, issued upon the order of the court, or judge thereof. Jurors who serve in civil actions in the superior court shall receive two dollars (\$2) a day to be paid by the party demanding the jury.

The compensation provided by this section shall be payable to incumbent officers.

CHAPTER 1072

An act to add Sections 5025.11, 5025.12, and 5025.2 to the Public Resources Code, relating to historical routes.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5025.11 is added to the Public Resources Code, to read:

5025.11. The State Park Commission shall, with the advice of the Historical Landmarks Advisory Committee certify to the Director of Natural Resources and the Division of Beaches and Parks, the route followed by Colonel John Charles Fremont and party from the Nevada state line through Mono, Inyo, Alpine, Amador, and El Dorado Counties to Sutter's Fort in Sacramento County in the winter of 1843.

SEC. 2. Section 5025.12 is added to said code, to read:

5025.12. The Division of Beaches and Parks is authorized to place suitable markers along this certified route at intervals and at each intersection with a state highway or county road.

SEC. 3. Section 5025.2 is added to said code, to read:

5025.2. It shall be the duty of the Division of Beaches and Parks to keep in repair, or cause to be kept in repair, all markers of such historical routes.

CHAPTER 1073

An act to amend Section 2086 of the Agricultural Code, relating to the Agricultural Prorate Advisory Commission.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2086 of the Agricultural Code is amended to read:

2086. The office of the commission is in the City of Sacramento and it may meet at such times and in such places as may be expedient and necessary for the proper performance of its duties. The commission shall meet at least once every calendar year and oftener at the call of the president of the commission or of the director, when in the discretion of either the need arises. At all meetings of the commission a majority shall constitute a quorum.

CHAPTER 1074

An act to add Chapter 4 to Division 3 of the Health and Safety Code, relating to pet birds and public health, and making an appropriation.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 4 is added to Division 3 of the Health and Safety Code, to read:

CHAPTER 4. PET BIRDS

Sale, etc., of
parakeets
Banding

2100. No person, association, organization, partnership, or corporation shall raise and sell, offer for sale, trade, or barter any shell parakeet or budgerigar unless such bird is banded with traceable, seamless, closed bands of standard size not to exceed inside diameter of 0.148 of an inch.

Permit

2101. No band manufacturer, bird club, association, corporation, society, or person shall issue any bands prescribed under Section 2100 without a permit from the department. A permit shall be granted by the department upon compliance with such reasonable and necessary regulations as prescribed by the board.

Bond

2102. No manufacturer of bands prescribed under Section 2100 shall sell or market such bands in the State without giving such bond as required by the regulations of the board and without obtaining a permit from the department.

Records,
reports

2103. Every band issuing agency shall maintain such records and make such reports as required by reasonable and necessary regulations of the board. The board may by regula-

tion prescribe the keeping of such sales records as it deems necessary to effectuate the purposes of this chapter.

2104. Whenever the director finds that psittacosis, or any other diseases transmissible to man from pet birds, have become a public health hazard to the extent that control measures are necessary or desirable, the board shall adopt such additional regulations as it deems necessary for the public health, which regulations shall apply to all pet birds whether or not of a species otherwise regulated under this chapter. Such regulations shall be adopted pursuant to Section 2105 and in accordance with Chapter 4 of Part 1, Division 3, Title 2 of the Government Code. Bird disease regulations

2105. The director, with the advice of the board, shall appoint an advisory committee consisting of nine members representing the pet bird industry from recognized pet bird organizations, which committee shall advise and consult with the department in carrying out the administration of this chapter. Advisory committee

2106. All manufacturers selling or marketing bands prescribed in Section 2100 shall pay a fee to the department on each such band sold. The board shall provide by regulation the amount of the fee to be paid, the total amount of such fees to yield a sum approximating the estimated cost of the administration of this chapter. All fees due and payable under this chapter shall be paid quarterly, the first quarter to begin on or before the fifteenth day of January of each year. Such fees shall be paid by the department into the General Fund in the State Treasury. Fees

2107. The violation of any of the provisions of this chapter shall constitute a misdemeanor. Misdemeanor

2108. The provisions of this chapter shall apply only to those pet birds hatched after October 1, 1955. Application

SEC. 2. The sum of ten thousand dollars (\$10,000), or so much thereof as may be necessary, is hereby appropriated from the General Fund in the State Treasury in augmentation of Item 194 of the Budget Act of 1955, to be expended by the Department of Public Health in administration and enforcement of this act. Appropriation

CHAPTER 1075

An act to create the Lower San Joaquin Levee District, prescribing its boundaries, organization, government, powers, and duties, relating to flood control on the San Joaquin River and tributaries.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. A levee district is hereby created to be called the Lower San Joaquin Levee District. Creation

- Short title: SEC. 2. This act shall be known and may be cited as the Lower San Joaquin Levee District Act.
- Definitions: SEC. 3. Unless otherwise indicated the provisions of this section shall govern the construction of this act.
"District" means the Lower San Joaquin Levee District.
"Board" means the district board of directors.
"Directors" means the members of the board.
- Boundaries: SEC. 4. The district shall consist of all the territory lying within the following described exterior boundaries:
Beginning at the county line between Stanislaus and Merced Counties at the mouth of Merced River; thence downstream to Hills Ferry Bridge; thence along Newman Road westerly $\frac{1}{4}$ mile, southeasterly $\frac{1}{4}$ mile and southwesterly 2.65 miles to Canal School Road; thence south 0.45 mile along Canal School Road to the county line between Stanislaus and Merced Counties; thence south along said road to south line Section 20, Township 7 South, Range 9 East; thence east 0.85 of a mile to the Old Santa Fe Grade; thence southeasterly along said Old Santa Fe Grade 5.5 miles to the south line of Section 13, Township 8 South, Range 9 East; thence east 3.25 miles along said south line and south line Sections 18, 17 and 16, Township 8 South, Range 10 East, to east side San Luis Canal at Fremont Ranch; thence southeasterly along east side San Luis Canal 10.1 miles to the San Pedro Grade Road at the north line of Section 1, Township 10 South, Range 10 East; thence east along said road and along the line between Township 9 South, and Township 10 South, 6.25 miles to Turner Island Road; thence south along Turner Island Road 3 miles to State Highway No. 152 at the south line of Section 18, Township 10 South, Range 12 East; thence east along said State Highway No. 152, 3 miles to the northwest corner, Section 22, Township 10 South, Range 12 East; thence south $\frac{3}{4}$ mile, more or less, to the north boundary of the Dos Palos Drainage District at Arroyo Canal; thence along the Arroyo Canal and said boundary easterly and southerly to the west line of Section 26, Township 10 South, Range 12 East; thence continuing along said boundary south 0.6 mile along said west line to the Colony Main Canal; thence southerly along said drainage district boundary and Colony Main Canal to the south line of Section 35, Township 10 South, Range 12 East; thence continuing along said boundary east $\frac{1}{2}$ mile to the northwest corner of Section 1, Township 11 South, Range 12 East; thence along said boundary south 1 mile to the southwest corner of said Section 1; thence continuing along said boundary east 0.85 mile to the boundary line between Merced and Fresno Counties and a total distance of 1 mile to the southeast corner of said Section 1; thence south along the range line between Township 11 South, Range 12 East, and Township 11 South, Range 13 East 4.25 miles to the intersection of the easterly line of the right of way of the Southern Pacific Railroad and the west line of Section 31, Township 11 South, Range 13 East; thence southeasterly along said east line of railroad

11.5 miles to the easterly right of way line of the U. S. B. R. Delta Mendota Canal; thence southeasterly 6 miles to the intersection of said easterly right of way line with the west line of the east $\frac{1}{2}$ of southeast $\frac{1}{4}$ of Section 19, Township 13 South, Range 15 East; thence south 0.7 mile to the southwest corner of east $\frac{1}{2}$ of northeast $\frac{1}{4}$ of Section 30, Township 13 South, Range 15 East; thence east $\frac{1}{4}$ mile to quarter section corner on east line of said Section 30; thence south along the east line of Sections 30 and 31, Township 13 South, Range 15 East, and the east line of Section 6, Township 14 South, Range 15 East, to the northeasterly right of way line of the Southern Pacific Railroad; thence southeasterly along said railroad right of way 2 miles to White's Bridge Road; thence east along White's Bridge Road $7\frac{1}{4}$ miles to the southeast corner of Section 3, Township 14 South, Range 16 East; thence north one mile to the southeast corner of Section 34, Township 13 South, Range 16 East; thence east 3 miles to the southeast corner of Section 31, Township 13 South, Range 17 East; thence north 3 miles to the northeast corner of Section 19, Township 13 South, Range 17 East; thence east 2 miles to the southeast corner of Section 16, Township 13 South, Range 17 East; thence north $1\frac{1}{2}$ miles to the San Joaquin River and the county line between Fresno and Madera Counties; thence along said county line downstream $1\frac{1}{2}$ miles to the north line of Section 17, Township 13 South, Range 17 East; thence west $7\frac{1}{2}$ miles to the northwest corner of Section 18, Township 13 South, Range 16 East; thence north 2 miles to the northeast corner of Section 1, Township 13 South, Range 15 East; thence west 0.8 mile to the southeast corner of Section 35, Township 12 South, Range 15 East; thence north 3 miles to the northeast corner of Section 23, Township 12 South, Range 15 East; thence west 1.65 miles to the intersection of the north line of Section 22, Township 12 South, Range 15 East, with Chowchilla Canal; thence northwesterly along Chowchilla Canal 15 miles to the north line of Section 21, Township 10 South, Range 14 East; thence west $1\frac{1}{2}$ miles to the northwest corner of Section 20; thence north one mile to the northeast corner of Section 18; thence west 1 mile to the southeast corner of Section 12, Township 10 South, Range 13 East; thence north one mile to the northeast corner of Section 12 and the county line between Madera and Merced Counties; thence north 2 miles to the northeast corner of Section 36, Township 9 South, Range 13 East; thence west 3 miles to the southeast corner of Section 28; thence north 4 miles to the northeast corner of Section 9; thence west 3 miles to the northwest corner of Section 7; thence north 1 mile to the northeast corner of Section 1, Township 9 South, Range 12 East; thence west 1.9 miles to the southeast corner of Section 34, Township 8 South, Range 12 East; thence north $1\frac{1}{2}$ miles to the northeast corner of the southeast quarter of Section 27; thence west 1 mile; thence north $\frac{1}{2}$ mile to the northeast corner of Section 28; thence west $\frac{1}{2}$ mile; thence north one mile;

thence west $1\frac{1}{2}$ miles to the northwest corner of Section 20; thence north 1 mile to the northeast corner of Section 18, Township 8 South, Range 12 East; thence west 1 mile to the southeast corner of Section 12, Township 8 South, Range 11 East; thence north 1 mile to the northeast corner of Section 12; thence west two miles to the northwest corner of Section 11; thence north 1 mile to the northeast corner of Section 3, Township 8 South, Range 11 East; thence west 2 miles to the southeast corner of Section 32, Township 7 North, Range 11 East; thence north 1 mile; thence west 2 miles to the northwest corner of Section 31; thence north 1 mile; thence west 1 mile to the northwest corner of Section 25, Township 7 South, Range 10 East; thence north $\frac{3}{4}$ mile to State Highway No. 140 at the intersection of said highway with the east line of Section 23; thence west 2 miles along said highway to the east line of Section 21; thence north $\frac{1}{2}$ mile; thence west 2 miles to the east line of Section 18; thence north 1 mile; thence west 1 mile to the northwest corner of the southwest quarter of the southwest quarter of Section 7; Township 7 South, Range 10 East; thence north along the east line of Sections 12 and 1, Township 7 South, Range 9 East, $1\frac{1}{2}$ miles to Merced River; thence downstream along said river to the San Joaquin River and the county line between Merced and Stanislaus Counties and the point of beginning.

Board of
directors

SEC. 5. The district shall be governed by the board of directors, and whenever a duty, power, or jurisdiction is conferred upon the district, unless indicated to the contrary, such duty, power, or jurisdiction shall be exercised by the board.

Members

SEC. 6. The board shall consist of five members, one each to be appointed by the boards of supervisors of Fresno, Merced, and Madera Counties, and two by the governing body of the Central California Irrigation District. Each member shall be an owner of land within the district and shall serve at the pleasure of the authority appointing him.

District
purposes

SEC. 7. The purposes of the district are to give assurances and to effect the local cooperation required by the Secretary of the Army in connection with the plan of improvement for flood control and other purposes on the Lower San Joaquin River and tributaries, including Tuolumne and Stanislaus Rivers, which plan is substantially in accordance with the recommendations of the Chief of Engineers in Flood Control Committee Document Numbered 2, Seventy-eighth Congress, Second Session, adopted and authorized by Section 12651 of the Water Code, or any modification of such plan made pursuant to law. Such local cooperation shall consist substantially of the repair, operation, and maintenance of levees, works, structures, or other facilities in connection with such plan of improvement.

Assessments

SEC. 8. Annually, on or before the first day of June, the board shall cause to be prepared an estimate of the total amount of money necessary to be raised by assessment for all district purposes during the next ensuing fiscal year. The board

shall add thereto an amount equal to 10 percent thereof for anticipated tax delinquencies. The board shall apportion such total amount of money among the counties of the district equitably in the same proportion as the value of lands, exclusive of improvements, of the district in each county bears to the total value of lands, exclusive of improvements, in the district as determined by the board. The amount so apportioned to each county shall be by resolution of the board, and a certified copy of such resolution shall be transmitted to the boards of supervisors of each of the counties of the district. The board of supervisors shall cause assessments to be levied on the lands of the district within their respective counties, exclusive of improvements thereon, in proportion to the value thereof sufficient to raise the amounts so apportioned to their respective counties. The assessments shall be collected at the same time, in the same manner, and together with county taxes. Upon collection, all officers of the counties collecting or having in their possession sums derived from such assessments shall forthwith pay over the same to the county treasurer of Merced County for the credit of the district.

SEC. 9. The district may obtain experts, technical, legal, or other assistance and may employ such persons as it deems necessary to carry out fully its purposes and powers. Employees

SEC. 10. The district has all powers necessary or convenient to carry out fully its powers and purposes. Powers

SEC. 11. Claims against the district shall be presented, allowed, audited, and paid as are claims against the County of Merced, except that all claims must be presented to and allowed by the board. For the purposes of this section the County Auditor and the County Treasurer of Merced County are ex officio the auditor and treasurer of the district. Any reasonable and necessary expenses actually incurred by Merced County in carrying out any of the provisions of this act relating to the district shall be paid out of the funds of the district applicable thereto. Claims against district
Expenses

CHAPTER 1076

An act to add Section 12023.5 to the Business and Professions Code, relating to cordage, twine and oakum.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 12023.5 is added to Chapter 1, Division 5, of the Business and Professions Code, to read:

12023.5. Notwithstanding any other provision of this code or any other law, jute cordage, jute twine, hard fibre cordage, hard fibre twine (whether covered or uncovered), and oakum

may be marked and sold on a gross weight basis. The provisions of the foregoing sentence shall not apply to sales in retail stores for consumer use of any such product which has been removed from the wrapper or container in which it was received by the retailer.

CHAPTER 1077

An act to amend Section 13583 of the Education Code, relating to certificated employees of school districts.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 13583 of the Education Code is amended to read:

13583. Anything in Section 13582 to the contrary notwithstanding, governing boards of school districts having an average daily attendance of 85,000 or more pupils shall dismiss probationary employees for cause only. The determination of the board as to the sufficiency of the cause for dismissal shall be conclusive, but the cause shall relate solely to the welfare of the schools and the pupils thereof.

In case a hearing is requested by the employee the proceeding shall be conducted in accordance with Chapter 5 of Part 1, of Division 3 of Title 2 of the Government Code and the governing board shall have all the power granted to an agency in said Chapter 5, except that the respondent shall file his notice of defense, if any, within five days after service upon him of accusation and he shall be notified of such five-day period for filing in the accusation. All expenses of the hearing, including the cost of the hearing officer, shall be paid by the governing board from the district funds.

The board may adopt from time to time such rules and procedures not inconsistent with provisions of this section, as may be necessary to effectuate this section.

CHAPTER 1078

An act to add Section 1623 to the Health and Safety Code, relating to biologics and blood transfusions.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1623 is added to the Health and Safety Code, to read:

1623. The procurement, processing, distribution, or use of whole blood, plasma, blood products, and blood derivatives for the purpose of injecting or transfusing the same, or any of them, into the human body shall be construed to be, and is declared to be, for all purposes whatsoever, the rendition of a service by each and every person, firm, or corporation participating therein, and shall not be construed to be, and is declared not to be, a sale of such whole blood, plasma, blood products, or blood derivatives, for any purpose or purposes whatsoever.

CHAPTER 1079

An act to amend Sections 26202, 26210, 26211.5, 26213, 26214, 26233, 26252, 26273, 26287, 26288, 26290, 26292, and 26362 of, and to add Section 26255 to, the Health and Safety Code, relating to drugs and devices.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26202 of the Health and Safety Code is amended to read:

26202. "Device" means instruments, apparatus and contrivances, including their components, parts, products or by-products of a device, and accessories, used or intended (1) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; or (2) to affect the structure or any function of the body of man or other animals.

SEC. 2. Section 26210 of said code is amended to read:

26210. The representation of a drug or device, in its labeling or advertisement, as an antiseptic shall be considered to be a representation that it is a germicide, except in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body.

SEC. 3. Section 26211.5 of said code is amended to read:

26211.5. "Prescription" means an order given individually for the person for whom prescribed, directly from the prescriber to the furnisher or indirectly by means of an order signed by the prescriber and shall bear the name and address of the prescriber, his license classification, the name and address of the patient, name and quantity of drug or drugs or device prescribed, directions for use and the date of issue.

SEC. 4. Section 26213 of said code is amended to read:

26213. The provisions of this chapter regarding the selling, purchasing or use of drugs and devices, shall be considered to include the manufacture, production, processing, packing, exhibition, offering, possessing and holding of any such articles for

sale; the sale, dispensing, and giving of any such article; and the supplying or applying of any such articles in the conduct of any establishment.

SEC. 5. Section 26214 of said code is amended to read:

"Package"

26214. "Package" includes any phial, bottle, jar, demijohn, carton, bag, case, can, box or barrel or any receptacle, vessel or container of whatsoever material or nature which may be used by a manufacturer, producer, jobber, packer or dealer, for inclosing or containing any drug or device.

SEC. 6. Section 26233 of said code is amended to read:

Adulterated
drug

26233. A drug or device shall be deemed to be adulterated if its strength differs or its purity falls below the professed standard or quality under which it is sold.

SEC. 7. Section 26252 of said code is amended to read:

Exempt
drugs and
devices

26252. A drug or device sold on a prescription of a member of the medical, dental or veterinary profession (except a drug sold in the course of the conduct of a business selling drugs pursuant to diagnosis by mail) shall be exempt from the requirements of this article if: (1) Such member of the medical, dental or veterinary profession is licensed by law to administer such drug or device, and (2) Such drug or device bears a label containing the name and place of business of the seller, the serial number and date of such prescription, the name of the person for whom such drug or device is prescribed, the name of such member of the medical, dental or veterinary profession, and bears directions for use as prescribed by such member of the medical, dental or veterinary profession.

SEC. 8. Section 26255 is added to said code, to read:

Dispensing
of habit-
forming,
toxic, etc.,
drugs

26255. (1) A drug intended for use by man which:

(a) Is a habit-forming drug to which Section 26254 applies; or

(b) Because of its toxicity or other potentiality for harmful effect, or the method of its use, or the collateral measures necessary to its use, is not safe for use except under the supervision of a practitioner licensed by law to administer such drug; or

(c) Is limited by an effective application under Section 26288 to use under the professional supervision of a practitioner licensed by law to administer such drug, shall be dispensed only (i) upon a written prescription of a practitioner licensed by law to administer such drug, or (ii) upon an oral prescription of such practitioner which is reduced promptly to writing and filed by the pharmacist, or (iii) by refilling any such written or oral prescription if such refilling is authorized by the prescriber either in the original prescription or by oral order which is reduced promptly to writing and filed by the pharmacist. The act of dispensing a drug contrary to the provisions of this paragraph shall be deemed to be an act which results in the drug being misbranded while held for sale.

Exemptions

(2) Any drug dispensed by filling or refilling a written or oral prescription of a practitioner licensed by law to admin-

ister such drug shall be exempt from the requirements of Sections 26241, 26242, 26243, 26244, 26245, 26246, 26247, 26250, and 26254, and the provisions of Section 26249 deeming a drug misbranded if its container is so formed, made, or filled as to be misleading, except the packaging requirements of Sections 26245, 26246 and 26247. If the drug bears a label containing the name and address of the dispenser, the serial number and date of the prescription or of its filling, the name of the prescriber, and, if stated in the prescription, the name of the patient, and the directions for use and cautionary statements, if any, contained in such prescription. This exemption shall not apply to any drug dispensed in the course of the conduct of a business of dispensing drugs pursuant to diagnosis by mail, or to a drug dispensed in violation of subdivision (1) of this section.

(3) The board may by regulation remove drugs subject to Section 26254 and Section 26288 from the requirements of subdivision (1) of this section when such requirements are not necessary for the protection of the public health.

(4) A drug which is subject to subdivision (1) of this section shall be deemed to be misbranded if at any time prior to dispensing its label fails to bear the statement "Caution: Federal law prohibits dispensing without prescription," or "Caution: Not to be dispensed without a prescription." A drug to which subdivision (1) of this section does not apply shall be deemed to be misbranded if at any time prior to dispensing its label bears the caution statement provided for in this subdivision. Misbranding

(5) Nothing in this section shall be construed to relieve any person from any requirement described by or under authority of law with respect to drugs now included or which may hereafter be included within the classifications stated in Division 10 of this code. Construction

SEC. 9. Section 26273 of said code is amended to read:

26273. Whenever the board determines that an advance in medical science has made any type of self-medication safe as to any of the diseases named in Section 26286.5, the board shall by regulation authorize the advertisement of drugs or devices having curative or therapeutic effect for such disease, subject to such conditions and restrictions as the board may deem necessary in the interests of public health. Safe self-medication

SEC. 10. Section 26287 of said code is amended to read:

26287. The using on the labeling of any drug or device or in any advertisement relating to such drug or device of any representation or suggestion that an application with respect to such drug or device is effective under Section 26288 or that such drug or device complies with the provisions of that section is prohibited. Representation as new drug

SEC. 11. Section 26288 of said code is amended to read:

26288. The sale, offering for sale, holding for sale, delivering or giving away of any new drug or device is unlawful New drugs

and prohibited unless (1) an application with respect thereto has become effective under Section 505 of the federal act, or (2) if the drug or device is not subject to the federal act unless such drug or device has been tested and has not been found to be unsafe for use under the conditions prescribed, recommended, or suggested in the labeling thereof, and prior to selling or offering for sale such drug or device there has been filed with the board an application setting forth:

Application

(a) Full reports of investigations which have been made to show whether or not such drug or device is safe for use;

(b) A full list of the articles used as components of such drug or device;

(c) A full statement of the composition of such drug or device;

(d) A full description of the methods used in, and the facilities and controls used for, the manufacture, processing and packing of such drug or device;

(e) Such samples of such drug or device and of the articles used as components of the drug or device as the board may require; and

(f) Specimens of the labeling proposed to be used for such drug or device.

SEC. 12. Section 26290 of said code is amended to read:

Finding
and order

26290. If the board finds after due notice to the applicant and giving him an opportunity for a hearing, that the drug or device is not safe for use under the conditions prescribed, recommended or suggested in the proposed labeling thereof, the board shall, prior to the effective date of the application, issue an order refusing to permit the application to become effective.

SEC. 13. Section 26292 of said code is amended to read:

Exceptions

26292. Section 26288 shall not apply—

(1) To a drug or device intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety in drugs, if the drug or device is plainly labeled "For investigational use only"; or

(2) To a drug or device sold in this State at any time prior to the effective date of this chapter or introduced into interstate commerce at any time prior to the enactment of the federal act; or

(3) To any drug which is licensed under the Federal Virus, Serum, and Toxin Act of July 1, 1902.

SEC. 14. Section 26362 of said code is amended to read:

Prohibition
on dis-
position

26362. The drug or device shall not thereafter be sold, offered for sale, removed or otherwise disposed of until further notice in writing from the director or the Chief of the Bureau of Food and Drug Inspections. The unauthorized sale, removal or disposal of any quarantined article shall constitute a violation of this chapter, punishable as provided in Section 26295.

CHAPTER 1080

An act to amend Sections 26560, 26565, and 26580 of, and to add Section 26580.5 to the Health and Safety Code, relating to advertising, sampling, inspection, analyses, and quarantine of foods.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 26560 of the Health and Safety Code is amended to read:

26560. The director shall require the Chief of the Division of Laboratories, or the Chief of the Bureau of Food and Drug Inspection to make examinations and analyses of foods which are on sale in California and which are suspected of being adulterated or misbranded. Analyses
of foods

SEC. 2. Section 26565 of said code is amended to read:

26565. The hearings shall be held at such place as the board or the person conducting the hearing may designate. The hearings shall be private and confined to the consideration of fact. Parties interested may appear in person or by attorney and may propound interrogatories and submit oral or written evidence to show any fault or error in the findings made by the State Laboratory or by the Chief of the Bureau of Food and Drug Inspections. Hearings

SEC. 3. Section 26580 of said code is amended to read:

26580. Whenever a duly authorized agent of the board finds, or has probable cause to believe, that any food is adulterated, or so misbranded as to be dangerous or fraudulent, he shall affix to such article a tag or other appropriate marking, giving notice that such article is, or is suspected of being, adulterated, or misbranded and has been detained or quarantined, and warning all persons not to remove or dispose of such article by sale or otherwise until permission for removal or disposal is given by the Chief of the Bureau of Food and Drug Inspection or the court. Quarantine
tag

SEC. 4. Section 26580.5 is added to said code, to read:

26580.5. The unauthorized removal or disposal of any article of quarantined food by sale or otherwise shall constitute a violation of this chapter. Disposal
of quarantined food

CHAPTER 1081

An act to add Section 607.5 to the Revenue and Taxation Code, relating to the assessment for property tax purposes of rights and privileges appertaining to mines or minerals.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 607.5 is added to the Revenue and Taxation Code, to read:

607.5. In the event that a separate assessment of rights and privileges appertaining to mines or minerals and land is made, the descriptive words "mining rights" or "mineral rights" on the assessment roll shall include the right to enter in or upon the land for the exploration, development and production of minerals, including oil, gas, and other hydrocarbons.

CHAPTER 1082

An act to repeal Sections 985.4, and 985.5 of, and to amend Sections 986.3, and 986.5 of the Military and Veterans Code, relating to aid to veterans under the Veterans' Farm and Home Purchase Act of 1943.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

Repeal

SECTION 1. Sections 985.4 and 985.5 of the Military and Veterans Code are repealed.

SEC. 2. Section 986.3 of said code is amended to read:

Acquisition
of farm or
home by
department

986.3. The department may acquire such farm or home from the owner thereof or may contract with a veteran for the construction of a dwelling house and other improvements for a farm or home, upon the terms agreed if:

(a) The department is satisfied of the desirability of the property submitted.

(b) The veteran has agreed with the department actually to reside on the property within 60 days from the date of purchase by the department, or if the residence on the property is not complete on the date of purchase, within 60 days after the residence is completed.

(c) The purchase price to the department of the property, or the sum to be expended by the department pursuant to a contract for the construction of a dwelling house and other improvements, does not exceed the sum of fifteen thousand dollars (\$15,000) in the case of a farm, or eight thousand five hundred dollars (\$8,500) in the case of a home.

(d) Where the department is to contract with a veteran for the construction of a dwelling house and other buildings:

(1) The veteran is the owner in fee of the real property on which the dwelling house and other buildings are to be constructed and agrees to convey that property to the department without cost.

(2) The veteran has paid a reasonable fee set by the department to cover the cost of such preliminary service of the department as may be necessary to process the application.

(3) The veteran has filed with the department adequate plans and specifications for the improvements to be constructed upon said real property, together with a contract, executed by a contractor licensed by the State of California for the construction of said improvements in accordance with said plans and specifications within eight months after the acquisition of said real property by the department, and a bond executed by the contractor providing for compliance with the terms of said contract and for the payment of materialmen and labor furnishing material or labor on the job, executed by a surety company authorized to do business in the State of California.

(4) The plans, specifications, contract and bond are approved by the department.

(5) The total value of said real property and the improvements to be constructed thereon in accordance with the contract, plans and specifications submitted shall not exceed the sum of seventeen thousand dollars (\$17,000) in the case of a home or thirty thousand dollars (\$30,000) in the case of a farm.

(6) The veteran has placed in escrow, all sums of money to be advanced by him where the cost is in excess of the maximum that may be expended by the department.

SEC. 3. Section 986.5 of said code is amended to read:

986.5. The purchase price of a home to the department, shall not exceed the sum of eight thousand five hundred dollars (\$8,500), and a veteran purchasing the home may advance the difference between the total price or cost of the home and the sum of the purchase price of the home to the department and any amount the department is required under Section 986.9 of this code to add to the purchase price of the home in fixing the selling price thereof to the veteran, but in no case shall the total value thereof after completion of construction exceed seventeen thousand dollars (\$17,000). The purchase price of a farm to the department shall not exceed fifteen thousand dollars (\$15,000), and a veteran purchasing the farm may advance the difference between the total price of the farm or cost of the dwelling and improvements to be constructed on a farm under a contract and the sum of such purchase price to the department or contract price to the department and any amount which the department is required under Section 986.9 of this code to add to such purchase or contract price to the department in fixing the selling price of the farm to the veteran, but in no case shall the total value of the farm and the dwellings and improvements thereon exceed thirty thousand dollars (\$30,000).

Maximum
cost to
department

CHAPTER 1083

An act to amend Section 5 of the Santa Clara County Flood Control and Water Conservation District Act, relating to the Santa Clara Flood Control and Water District.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 5 of the Santa Clara County Flood Control and Water Conservation District Act is amended to read:

Powers
and duties

Sec. 5. The district is hereby declared to be a body corporate and politic and as such shall have, in addition to the other powers vested in it by this act, the following powers:

Perpetual
succession

1. To have perpetual succession.

Capacity
to sue

2. To sue and be sued in the name of said district in all actions and proceedings in all courts and tribunals of competent jurisdiction.

Seal

3. To adopt a seal and alter it at pleasure.

Acquisition,
etc., of
property

4. To acquire by grant, purchase, lease, gift, devise, contract, condemnation, construction, or otherwise, and to hold, use, enjoy, sell, let, and dispose of real and personal property of every kind, including lands, structures, buildings, rights of way, easements, and privileges, and to construct, maintain, alter and operate any and all works or improvements, within or without the district, necessary or proper to carry out any of the objects or purposes of this act and convenient to the full exercise of its powers, and to complete, extend, add to, alter, remove, repair or otherwise improve any works, or improvements, or property acquired by it as authorized by this act.

Storage,
etc., of
water

5. To store water in surface or underground reservoirs within or outside of the district for the common benefit of the district or of any zone or zones affected; to conserve and reclaim water for present and future use within the district; to appropriate and acquire water and water rights, and import water into the district and to conserve within or outside of the district, water for any purpose useful to the district; and to do any and every lawful act necessary to be done that sufficient water may be available for any present or future beneficial use or uses of the lands or inhabitants within the district, including but not limited to, the acquisition, storage and distribution of water for irrigation, domestic, fire protection, municipal, commercial, industrial, and all other beneficial uses; to distribute, sell, or otherwise dispose of, outside the district, any waters not needed for beneficial uses within the district; to commence, maintain, intervene in, defend or compromise, in the name of the district in behalf of the landowners therein, or otherwise, and to assume the costs and expenses of any action or proceeding involving or affecting the ownership or use of waters or water rights within or without the district, used or useful for any purpose of the district or of common benefit to

any land situated therein, or involving the wasteful use of water therein; to commence, maintain, intervene in, defend and compromise and to assume the cost and expenses of any and all actions and proceedings now or hereafter begun; to prevent interference with or diminution of, or to declare rights in the natural flow of any stream or surface or subterranean supply of waters used or useful for any purpose of the district or of common benefit to the lands within the district or to its inhabitants; to prevent unlawful exportation of water from said district; to prevent contamination, pollution or otherwise rendering unfit for beneficial use the surface or subsurface water used or useful in said district, and to commence, maintain and defend actions and proceedings to prevent any such interference with the aforesaid waters as may endanger or damage the inhabitants, lands, or use of water in, or flowing into, the district; provided, however, that said district shall not have power to intervene or take part in, or to pay the costs or expenses of, actions or controversies between the owners of lands or water rights which do not affect the interests of the district.

6. To control the flood and storm waters of said district and the flood and storm waters of streams that have their sources outside of said district, but which streams and the flood waters thereof, flow into said district, and to conserve such waters for beneficial and useful purposes of said district by spreading, storing, retaining and causing to percolate into the soil within or without said district, or to save or conserve in any manner all or any of such waters and protect from damage from such flood or storm waters the watercourses, watersheds, public highways, life and property in said district, and the watercourses outside of the district of streams flowing into the district.

7. To cooperate and to act in conjunction with the State of California, or any of its engineers, officers, boards, commissions, departments or agencies, or with the Government of the United States, or any of its engineers, officers, boards, commissions, departments or agencies, or with any public district, or with any public or private corporation, or with any city, city and county, or county, in the construction of any work for the controlling of flood or storm waters of or flowing into said district or for the protection of life or property therein, or for the purpose of conserving any waters whatsoever for beneficial use within said district, or in any other works, acts, or purposes provided for herein, and to adopt and carry out any definite plan or system of work for any such purpose.

8. To carry on technical and other necessary investigations, make measurements, collect data, make analyses, studies, and inspections pertaining to water supply, water rights, control of flood and storm waters, and use of water both within and without said district relating to watercourses or streams flowing in or into said district, and in all cases where land may be required for public use by said district, the district, or its agents

in charge of such use, shall have the right of access to all properties within the district and elsewhere relating to water-courses and streams flowing in or into said district and may survey and locate the same; but such must be located in a manner which will be most compatible with the greatest public good and the least private injury. The district, or its agents in charge of such public use may enter upon such lands and make examinations, surveys, and maps thereof, and such entry shall constitute no cause of action in favor of the owners of such land, except for injuries resulting from negligence, wantonness, or malice.

Surveys,
acquisition
of water
rights, etc

9. To enter upon any land, to make surveys and locate the necessary works of improvement and the lines for channels, conduits, canals, pipelines, roadways and other rights of way; to acquire by purchase, lease, contract, condemnation, gift, devise, or other legal means all lands and water and water rights and other property necessary or convenient for the construction, use, supply, maintenance, repair and improvement of said works, including works constructed and being constructed by private owners, lands for reservoirs for storage of necessary water, and all necessary appurtenances, and also where necessary or convenient to said end, and for said purposes and uses, to acquire and to hold in the name of the State, the capital stock of any mutual water company or corporation, domestic or foreign, owning water or water rights, canals, water works, franchises, concessions, or rights, when the ownership of such stock is necessary to secure a water supply required by the district or any part thereof, upon the condition that when holding such stock, the district shall be entitled to all the rights, powers and privileges, and shall be subject to all the obligations and liabilities conferred or imposed by law upon other holders of such stock in the same company; to enter into and do any acts necessary or proper for the performance of any agreement with the United States, or any state, county, district of any kind, public or private corporation, association, firm or individual, or any number of them, for the joint acquisition, construction, leasing, ownership, disposition, use, management, maintenance, repair or operation of any rights, works or other property of a kind which might be lawfully acquired or owned by said Santa Clara County Flood Control and Water Conservation District; to acquire the right to store water in any reservoirs, or to carry water through any canal, ditch or conduit not owned or controlled by the district; to grant to any owner or lessee the right to the use of any water or right to store such water in any reservoir of the district, or to carry such water through any tunnels, canal, ditch, or conduit of the district; to enter into and do any acts necessary or proper for the performance of any agreement with any district of any kind, public or private corporation, association, firm or individual, or any number of them for the transfer or delivery to any such district, corporation, association, firm or individual of any water right or

water pumped, stored, appropriated or otherwise acquired or secured, for the use of the Santa Clara County Flood Control and Water Conservation District, or for the purpose of exchanging the same for other water, water right or water supply in exchange for water, water right or water supply to be delivered to said district by the other party to said agreement; to cooperate with, and to act in conjunction with, the State of California, or any of its engineers, officers, boards, commissions, departments or agencies, or with the Government of the United States, or any of its engineers, officers, boards, commissions, departments or agencies, or with any public or private corporation, in the construction of any work for controlling flood or storm waters of streams in or running into said district, or for the protection of life or property therein, or for the purpose of conserving said waters for beneficial use within said district, or in any other works, acts, or purposes provided for herein, and to adopt and carry out any definite plan or system of work for any such purpose.

10. To incur indebtedness and to issue bonds in the manner herein provided. Bonds

11. To cause taxes or assessments to be levied and collected for the purpose of paying any obligation of the district, and to carry out any of the purposes of this act, in the manner hereinafter provided. Taxes or assessments

12. To make contracts, and to employ labor, and to do all acts necessary for the full exercise of all powers vested in said district or any of the officers thereof, by this act. Employees

13. To have the power and right to disseminate information concerning the rights, properties, activities, plans and proposals of the district; provided, however, that expenditures during any fiscal year for such purposes shall not exceed one-half cent (\$.005) for each one hundred dollars (\$100) of assessed valuation of such district. Dissemination of information

CHAPTER 1084

An act to add Section 937 to the Health and Safety Code, to add Section 16426 to, and to amend Sections 16461 and 16463 of, the Education Code, relating to health services for public school pupils.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 937 is added to the Health and Safety Code, to read:

937. The district board of a local health district may contract with the county superintendent of schools of the county for the performance by health officers or other employees of the district of any or all of the functions and duties set forth in Chapter 3 of Division 8 of the Education Code, relating to the health supervision of school buildings and of pupils en- Contracts for health districts to provide health services to schools

rolled in the schools of any or all elementary and high school districts over which the county superintendent of schools has jurisdiction.

In the contract the consideration shall be such as may be agreed upon by the district board and the county superintendent of schools and shall be paid by the county superintendent of schools at such times as shall be specified in the contract into the county treasury to the credit of the district fund.

SEC. 2. Section 16426 is added to the Education Code, to read:

Authoriza-
tion of
contracts

16426. Contracts between any local health district and the governing board of any school district located wholly or partially within such local health district for the performance by the health officers or other employees of the local health district of any or all of the functions and duties set forth in Chapter 3 of Division 8 of the Education Code, relating to health supervision of school buildings and pupils are hereby authorized.

In any such contracts the consideration shall be such as may be agreed upon by the governing board and the local health district and shall be paid to the local health district by the governing board at such times as shall be specified in the contract.

Supervisors
of health

SEC. 3. Section 16461 of said code is amended to read:

16461. The county superintendent of schools of each county may employ one or more supervisors of health as defined in Section 16441, to supervise the health of pupils enrolled in the schools of elementary and high school districts over which he has jurisdiction, or may contract with the board of supervisors of the county in which he holds office, or the district board of a local health district situated in the county, for the performance by employees of the county health department, or employees of the local health district, of any or all of the functions relating to proper health supervision of the school buildings and of pupils enrolled in the schools of such elementary and high school districts. All rules governing health supervision in the schools shall be made by the county superintendent of schools. No supervisor of health shall be employed, and no county or district employees shall perform duties under any contract, who does not possess a health and development credential; provided, however, that a psychologist may be so employed or may perform such duties under a contract if he is the holder of a school psychologist credential issued by the State Board of Education.

Salary and
expenses

SEC. 4. Section 16463 of said code is amended to read:

16463 The salary and necessary traveling and other expenses of any supervisor of health employed pursuant to this article or the contract price agreed upon between the board of supervisors or the district board of a local health district, as the case may be, and the county superintendent of schools shall be paid by the county superintendent of schools from the county school service fund.

CHAPTER 1085

An act to add Article 6.5 to Chapter 3, Part 3, Division 12 of the Health and Safety Code, relating to special fire protection zones in fire protection districts in one or more counties.

[Approved by Governor June 18, 1955. Filed with Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Article 6.5 is added to Chapter 3, Part 3, Division 12 of the Health and Safety Code, to read:

Article 6.5 Creation of Special Fire Protection Zones

14712 Whenever the board of directors deems it to be for the best interest of the public, it may, by resolution, initiate proceedings for creation of a special fire protection zone in the district for the purpose of paying for installation of capital improvements such as fire mains, fire plugs, or any other similar improvement which is of sole benefit to the territory in said zone, or for purchase of equipment or employment of personnel over and above the equipment and personnel which the district can afford to furnish to said zone out of its general district tax. Special fire protection zones

14713. Said resolution initiating said proceedings shall describe the boundaries of said special fire protection zone, declaring the public interest and necessity demand its creation and the reasons therefor and therein set a date for public hearing on the question of creation of said zone before the board of directors. Initiating resolution

14714. Notice of said hearing shall be given by publication of a copy of said resolution in a newspaper of general circulation within the district, and by posting copies thereof, one in each of at least three public places in said proposed zone, at least thirty (30) days prior to date of hearing. Notice

14715. Any person interested, at or before said hearing, may file with the board of directors a written objection to the creation of said zone or to the inclusion of his property in it. At said hearing the board of directors shall hear and determine all protests and objections. At the conclusion of the hearing the board of directors shall decide and determine whether the proposed zone shall be created with the boundaries as described in the original resolution, except that the board of directors may revise the proposed boundaries by reducing the size of the said zone. A copy of the order creating said special zone describing the territory thereof, accompanied by a plat thereof, shall be filed with the agencies designated in and as required by Sections 54900, 54901, and 54902 of the Government Code. Hearing, creation

14716. On and after the date of creation of said special fire protection zone, subject to the provisions of said Sections Tax levies

54900, 54901, and 54902 of the Government Code, the board of supervisors shall have the power and duty to levy on all taxable property in said zone a tax for expenditures for such purposes provided for in the resolution which the board of directors has certified to the board of supervisors to be for the sole benefit of said zone.

Abolition
of special
zones

14717. The board of directors shall have power by resolution to abolish any special zone so created, after hearing held in the manner provided for in this article for the original creation of the zone, whenever the board of directors determines that the public interest and necessity mentioned in the original order of creation no longer exists.

CHAPTER 1086

An act to add Article 8.6 to Chapter 3, Part 3, Division 12 of the Health and Safety Code, relating to changing the name of fire protection districts in one or more counties.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 8.6 is added to Chapter 3, Part 3, Division 12 of the Health and Safety Code, to read:

Article 8.6. Change of Name

Change of
name

14759.1. A district may change its name, by action of the board of supervisors of the county in which the land or the greater portion of it lies, as provided by this article.

Resolution

14759.2. Whenever, after the organization of a district pursuant to the provisions of this chapter, in the judgment of the board of directors it is for the best interest of a district that its name be changed to a stated name, the board of directors may pass a resolution reciting that fact.

Forwarding
to board of
supervisors

14759.3. A copy of the resolution shall be forwarded to the board of supervisors of the county in which the land or the greater portion of it lies with the request that the name of the district be changed to the stated name.

Date for
consideration

14759.4. The board of supervisors shall designate a day on which it will consider the request, which day shall not be less than 10 days nor more than 40 days after the receipt of the petition, and the board of supervisors may either grant or deny the request.

Notice

14759.5. The clerk of the board of supervisors shall give notice by sending by registered mail to each of the directors of the district a notice of the time for the hearing of the request. Notices shall be mailed at least 10 days before the day set for the hearing.

The clerk shall also cause the notice of the time of the hearing of the resolution to be published at least once not less than 10 days before the hearing in a newspaper of general circulation within the district and printed and published within the county in which the land of the district or the greater portion of it lies.

14759.6. If the board of supervisors denies the request, the clerk of the board of supervisors shall notify the board of directors of the denial. Denial of request

14759.7. If the board of supervisors grants the request, the board of supervisors shall enter an order changing the name of the district to the stated name. The clerk shall, within 10 days after adoption of the order, file a certified copy of the order with the board of directors, the county assessor, and the State Board of Equalization. The clerk shall also cause to be recorded, in the office of the county recorder of the county in which the land of the district or the greater portion of the land lies, a certified copy of the order. Grant of request

14759.8. From and after the filing of the certified copy with the State Board of Equalization the new name shall be the official name of the district. Filing

CHAPTER 1087

An act to amend Section 332 of the Fish and Game Code, relating to wilderness areas.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 332 of the Fish and Game Code is amended to read:

332. It shall be unlawful for any person other than a legally constituted peace officer or officer or employee of the Forest Service of the United States Department of Agriculture, the Department of Fish and Game, or of the Division of Forestry, Department of Natural Resources of California, or county fire and life wardens or their duly authorized representatives, to travel by motor boat, automobile, motorcycle, or other type of motorized vehicle, or, except for emergencies and for rescue and aerial search for rescue purposes, to land an airplane, helicopter or similar equipment, within the boundaries of a primitive, wilderness, or wild area closed to the above modes of travel as established by a duly authorized officer of the Forest Service or the Department of Agriculture and recorded in the office of the Regional Headquarters of the California Region of the United States Forest Service, Department of Agriculture and with the Department of Fish and Game of California.

Nothing in this section shall be construed as prohibiting access over any road or trail in any such area to any land to which any person is entitled to possession by such person or any person authorized by him to use such road or trail as a means of access to said land, provided that none of the motorized vehicles or aircraft mentioned in this section shall be used by any person as a means of gaining access to the said wilderness areas for the purpose of hunting or fishing, nor shall anyone having a lawful right to enter such wilderness area with a motorized vehicle or aircraft fish or hunt while within said wilderness area after having entered said wilderness area with a motorized vehicle or aircraft.

CHAPTER 1088

An act to authorize the conveyance of certain property, belonging to the State of California and situated in the County of Mendocino, to the River Union Elementary School District of Mendocino County, State of California.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. The Director of Finance is hereby authorized and empowered to grant and convey to the River Union Elementary School District situated in the County of Mendocino, State of California, upon such terms and conditions as in his opinion may be for the best interests of the State, any and all of the following described real estate situated in the County of Mendocino, State of California, to wit:

That certain real estate consisting of approximately three acres of land adjacent to the site of the school building of the River Union Elementary School District of Mendocino County, State of California.

A copy of each deed of conveyance executed and delivered by the Director of Finance shall be delivered to the State Lands Commission.

CHAPTER 1089

An act to amend Section 1300.15 of the Agricultural Code, relating to marketing of agricultural products.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1300.15 of the Agricultural Code is amended to read:

1300.15. (a) (1) Any marketing order issued pursuant to this chapter shall provide for the establishment of an advisory board to assist the director in the administration of any marketing order. The members of the board shall be appointed by the director and may hold office at the pleasure of the director. If the marketing order affects directly only producers of a particular commodity the members of the board shall be producers. If the marketing order affects directly only handlers of a particular commodity the members of the board shall be handlers. If the marketing order affects directly both producers and handlers of a particular commodity, such board shall be composed of both producers and handlers. The number of producers or handlers upon any such board shall be of such number of producers or handlers as the director finds is necessary to assist properly in the administration of such order. Upon the recommendation of the board, the director may appoint one person who is neither a producer nor a handler to represent the Department of Agriculture or the public generally. Advisory
boards

(2) No member of any such board shall receive a salary but each shall be entitled to his actual expenses incurred while engaged in performing his duties herein authorized. The director may authorize such board: to enter into contracts or agreements, to employ necessary personnel including attorneys engaged in the private practice of the law, fix their compensation and terms of employment; and to incur such expenses, to be paid by the director from moneys collected as herein provided, as the director may deem necessary and proper to enable such board properly to perform such of its duties as are authorized herein. The duties of any such board shall be administrative Expenses
Duties only and may include only the following:

a. Subject to the approval of the director to administer such marketing order.

b. To recommend to the director administrative rules and regulations relating to the marketing order.

c. To receive and report to the director complaints of violations of the marketing order.

d. To recommend to the director amendments to the marketing order.

e. To assist the director in the assessment of members of the industry and in the collection of funds to cover expenses incurred by the director in the administration of the marketing order.

f. To assist the director in the collection of such necessary information and data as the director may deem necessary to the proper administration of this chapter.

(3) In addition to the advisory board there may be established one or more special committees or subcommittees to assist the advisory board in carrying out its duties and functions. Upon approval of the director each advisory board may establish committees or subcommittees to carry out assigned duties and functions and designate the members or alternate members of the board to serve upon such committees. If the marketing Special
committees

order so authorizes or upon recommendation of the board, the director may authorize the establishment of special committees or subcommittees of persons who are not members or alternate members of the board to perform specific duties and functions; provided, that the members and alternate members of any such special committee or subcommittee shall be appointed by the director.

Any action of any committee, special committee or subcommittee of the board shall be subject to final approval by the board. Members and alternate members of any committee, special committee or subcommittee whether by appointment or approval of the director shall be entitled to reimbursement for actual expenses incurred while acting in their authorized capacities.

Marketing
order
provisions

(b) Subject to the legislative restrictions and limitations set forth herein any marketing order issued by the director pursuant to this chapter may contain any or all of the following provisions for regulating or providing methods for regulating producer marketing or the handling or any of the operations of processing or distributing by handlers of any agricultural commodity within this State, but no others:

Determina-
tion of
surplus

(1) Provisions for determining the existence and extent of the surplus of any agricultural commodity, or of any grade, size or quality thereof, and providing for the control and disposition of such surplus, and for equalizing the burden of such surplus elimination or control among the producers, processors, distributors or other handlers affected. Notwithstanding any other appropriate means of equalizing the burden of surplus control and the elimination thereof as provided in this chapter, provision may be made for the creation of a stabilization fund to be used for purchasing or otherwise acquiring any portion of the surplus of any agricultural commodity either in fresh or processed form, except when processed in hermetically sealed containers, and for the diversion of such surplus quantity of such commodity so acquired into noncompetitive or by-products uses or for disposing of such surplus in noncommercial channels. Moneys for such stabilization fund shall be provided by means of the establishment of an assessment rate for such purpose levied upon producers or handlers or upon both producers and handlers. Such assessment rate shall be based upon the units in which such agricultural commodity is handled or marketed or upon any other uniform basis which the director determines to be reasonable and equitable. For convenience of collection, the director may collect any producer assessments from handlers of such commodity. Handlers paying such assessments for and on behalf of any producers are authorized to deduct such producer assessments from any moneys owed by such handlers to such producers.

Stabilization
fund

Limitation
on quantity
to be mar-
keted etc

(2) Provisions for limiting the total quantity of any agricultural commodity, or of any grade, size or quality thereof, which may be marketed by producers or processed, distributed or otherwise handled within this State during any specified

period or periods, by any and all persons engaged in such producer marketing, processing, distributing or handling; provided, that any such limitation shall be applied under a uniform rule applicable to all such persons so regulated. The total quantity of any such commodity so regulated and permitted to be marketed by producers, processed, distributed or otherwise handled, shall not be less than the quantity which the director finds is reasonably necessary to supply the market demands of consumers of such commodity.

(3) Provisions for allotting the quantity of any agricultural commodity, or of any grade, size or quality thereof, which each handler may purchase or acquire from, or handle on behalf of, any and all producers thereof, within this State during any specified period or periods under a uniform rule, applicable to all handlers so regulated based upon the amounts produced or sold by such producers in a prior period which the director finds to be representative, or upon the current season's production or sales of such producers, or both, to the end that the total quantity of such commodity or of any grade, size or quality thereof, so purchased or handled within this State shall be apportioned equitably among the producers thereof.

Allotment
of quantity
acquired
from
producers

(4) Provisions for allotting the quantity of any agricultural commodity, or of any grade, size or quality thereof, which each handler may process, distribute or handle within this State under a uniform rule, applicable to all handlers so regulated, based upon the quantities of such commodity or of any grade, size or quality thereof of the current season's crop which each such handler has available for such processing, distribution or handling, or upon the quantities of such commodity or of any grade, size or quality thereof so processed, distributed or handled by each such handler in a prior period which the director finds to be representative, or based upon both, to the end that the total quantity of such commodity or any grade, size or quality thereof, processed, distributed or handled within this State during any specified period or periods shall be equitably apportioned among all such handlers thereof.

Allotment
of quantity
processed by
handlers

(5) Provisions regulating the period, or periods, during which any agricultural commodity, or any grade, size or quality of such commodity, may be processed, distributed or otherwise marketed within this State by any and all persons engaged in such processing, distributing or marketing within this State; provided, that the total quantity of such commodity so regulated and permitted to be processed, distributed or otherwise marketed during such period or periods, shall not be less than the quantity which the director finds is necessary to reasonably supply the needs of consumers of such commodity.

Processing,
marketing,
etc., periods

(6) Provisions for the establishment of surplus, stabilization, or by-product pools for any agricultural commodity or of any grade, size, quality or condition thereof, and providing for the sale of the commodity in any such pool and for the equi-

Surplus,
etc. pools

table distribution among the persons participating therein of the net returns derived from the sale of such commodity. Whenever the marketing order authorizes the establishment of any such pool or pools the advisory board shall have power to receive such commodity from each producer or handler and to handle the same according to the grade, size, quality or condition thereof and to account to each producer or handler participating therein upon a pro rata basis for the net proceeds derived from the sale thereof.

The contents of any surplus pool shall not be marketed by the board in any form which would compete directly with that portion of the commodity which is marketed in regular channels of trade. However, any portion of any surplus pool may be transferred by the board upon any gratuitous basis to charitable organizations and other similar agencies under proper safeguards to insure that none of such commodity shall compete directly with the unrestricted portion of such commodity. The board may dispose of the contents of a stabilization pool in the regular marketing channels in such manner and at such times as the board deems advisable, consistent with the maintenance of stabilized marketing conditions for such commodity. The board may dispose of the contents of any by-product pool only for by-products or for other similar purposes under proper safeguards to prevent such portion of the commodity so disposed of from directly competing with that part of the commodity which is marketed in the usual form or in the regular channels of trade.

Facilities
for storing
financing,
etc

Whenever the marketing order authorizes the establishment of a surplus, stabilization, or by-product pool, the board shall have authority to arrange for and operate any necessary facilities for the storing, financing, grading, packing, servicing, processing, preparing for market, selling, and disposing of the contents of any pools provided for in this section; provided, however, the board shall not have authority to engage in commercial warehousing.

Pledge
for loans

The board shall have power to pledge all of the commodity in any such pools with banks or other lending agencies for the purpose of obtaining loans thereon. The board shall have title, for the purpose of financing and handling, to all of the commodity in any such pools.

Equalization
fund

Whenever the marketing order authorizes the establishment of any type of pool authorized in this section, the board shall have authority to create, by a uniform assessment upon producers, or upon some other uniform and equitable basis, maintain, and disburse an equalization fund to be used for the removal of any inequalities between producers or handlers participating in any pool resulting from errors in estimating production or surplus or for indemnifying producers whose production, in whole or in part, is diverted in green form or otherwise from normal marketing outlets or diverted to by-

products, relief, or other noncompetitive purposes pursuant to the provisions of the marketing order.

(7) Provisions establishing or providing for establishing with respect to any agricultural commodity either as delivered by producers to handlers or processors, or as handled, processed, or otherwise prepared for market, or as marketed by producers, handlers or processors: (A) grading standards of quality, condition, size, maturity or pack, which standards may include minimum standards provided the standards so established shall not be established below any minimum standards prescribed by law for such commodity; and (B) uniform inspection and grading of such commodity in accordance with the standards so established.

Standards of
grading, etc

(8) Provisions for the establishment of plans for advertising and sales promotion to maintain present markets or to create new or larger markets for agricultural commodities grown in the State of California, or for the prevention, modification or removal of trade barriers which obstruct the free flow of agricultural commodities to market. The director is hereby authorized to prepare, issue, administer and enforce plans for promoting the sale of any agricultural commodity.

Advertising
and sales
promotion

Provided, that any such plan shall be directed toward increasing the sale of such commodity without reference to a particular brand or trade name, and

Provided further, that no advertising or sales promotion program shall be issued by the director which shall make use of false or unwarranted claims in behalf of any such product, or disparage the quality, value, sale or use of any other agricultural commodity.

(9) Provisions relating to the prohibition of unfair trade practices. In addition to the unfair trade practices, now prohibited by law, applicable to the processing, distribution or handling of agricultural commodities within this State, the director is hereby authorized to include in any marketing order issued hereunder provisions designed to correct any trade practice affecting the processing, distributing or handling of any agricultural commodity within this State which the director finds, after a hearing thereupon in which all interested persons are given an opportunity to be heard, is unfair and detrimental to the effectuation of the declared purposes of this chapter.

Unfair trade
practices

(10) Provisions for the application for, review, certification and equitable payment of, production adjustment benefits to growers from funds collected for such purpose on a uniform basis from all commercial growers of any agricultural commodity in the State, for which production adjustment payments are made. Such funds may be supplemented by funds, if any, received from federal, state or other agencies for such purpose.

Production
adjustment
benefits

No program of production adjustment adopted hereunder shall authorize payments for the removal of acreages of trees

or vines of the species, variety or varieties specified in the program which have, during the three years immediately preceding the date of application, produced an annual yield per acre in excess of the comparably computed average yield from bearing trees or vines of the same species, variety or varieties for the State as a whole, such yields and averages to be determined by the director from statistical data compiled by state or federal agencies or such other data as the director deems to be representative and reliable.

Research
studies

(11) Provisions for carrying on research studies in the production, processing or distribution of any agricultural commodity and for the expenditure of moneys for such purposes. In any research in production or processing carried on hereunder, the Dean of the College of Agriculture of the University of California and the advisory board provided for in Section 1300.15 hereof shall cooperate in selecting the research project or projects to be carried on from time to time. Insofar as practicable such projects shall be carried out by said College of Agriculture, but if the dean of said college and the advisory board determine that the college has no facilities for a particular project or that some other research agency has better facilities therefor, the project may be carried out by other research agencies selected by the dean and the advisory board.

Educational
program

(12) Provisions establishing or providing authority for establishing, for any agricultural commodity, either as such commodity is produced or is delivered by producers to handlers, or as handled or otherwise prepared for market, or as marketed by producers or handlers, an educational program designed to acquaint producers, handlers or other interested persons with quality improvement, including sanitation practices, procedures or methods as applied to such commodity.

Commodi-
ties not
regulated by
United
States

(c) In addition to authority to issue marketing orders regulating the processing or preparation for marketing of any or all portions of any agricultural commodity processed within this State, and in addition to authority to issue marketing orders regulating the distribution of any or all portions of any agricultural commodity within this State and subject to the legislative restrictions and limitations of Section 1300.14 of this chapter, the director may also issue marketing orders regulating the handling, processing, preparation for marketing or marketing of any or all portions of any agricultural commodity produced in this State for which marketing regulatory powers are not being exercised by the Federal Government under the provisions of the Marketing Agreement Act of 1937, as amended, being Public Law No. 137, Seventy-fifth Congress, Chapter 296, First Session, 7 U. S. C. A. 674, 50 Statute 249.

CHAPTER 1090

An act to amend Section 242 of the Public Utilities Code, relating to the definition of "wharfinger."

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 242 of the Public Utilities Code is amended to read:

242. "Wharfinger" includes every corporation or person owning, controlling, operating, or managing any dock, wharf, or structure used by vessels in connection with or to facilitate the receipt or discharge of freight, other than bulk liquid commodities, or passengers for compensation within this State.

CHAPTER 1091

An act to amend Section 239 of the Public Utilities Code, relating to the definition of "warehouseman."

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 239 of the Public Utilities Code is amended to read:

239. (a) "Warehouseman" includes:

Every corporation or person owning, controlling, operating, or managing any building or structure in which property, other than liquid petroleum commodities in bulk, is regularly stored for compensation within this State, in connection with or to facilitate the transportation of property by a common carrier or vessel, or the loading or unloading of property, other than liquid petroleum commodities in bulk, and other than a dock, wharf, or structure, owned, operated, controlled, or managed by a wharfinger.

(b) Every corporation or person owning, controlling, operating, or managing any building, structure, or warehouse, in which merchandise, other than secondhand household goods or effects, and other than liquid petroleum commodities in bulk, and other than merchandise sold but retained in the custody of the vendor, is regularly stored for the public generally, for compensation, within this State, except warehouses conducted by any nonprofit, cooperative association or corporation which is engaged in the handling or marketing of the agricultural products of its members and warehouses conducted by the agents, individual or corporate, of such associations or corporations, while acting within the limitations imposed by law on their principals.

CHAPTER 1092

An act to amend Sections 4751 and 4753 of the Labor Code, relating to workmen's compensation.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 4751 of the Labor Code is amended to read:

Additional
compensation

4751. If an employee who is permanently partially disabled receives a subsequent compensable injury resulting in additional permanent partial disability so that the degree of disability caused by the combination of both disabilities is greater than that which would have resulted from the subsequent injury alone, and the combined effect of the last injury and the previous disability or impairment is a permanent disability equal to 70 percent or more of total, he shall be paid in addition to the compensation due under this code for the permanent partial disability caused by the last injury, compensation for the remainder of the combined permanent disability existing after the last injury as provided in this article; provided, that either (a) the previous disability or impairment affected a hand, an arm, a foot, a leg, or an eye, and the permanent disability resulting from the subsequent injury affects the opposite and corresponding member, or (b) the permanent disability resulting from the subsequent injury, when considered alone and without regard to the age of the employee, is equal to 40 percent or more of total.

SEC. 2. Section 4753 of the Labor Code is amended to read:

Deductions

4753. Such additional compensation is not in addition to but shall be reduced to the extent of any monetary payments received by the employee, from any source whatsoever, for or on account of said pre-existing disability or impairment, except as to payments being made to the employee or to which he is entitled as a pension or other compensation for disability incurred in service in the armed forces of the United States, and except as to payments being made to him or to which he is entitled as assistance under the provisions of Chapter 1 of Part 2 of Division 2, or Chapter 1 of Division 3, or Chapter 2 of Division 4, or Division 5, of the Welfare and Institutions Code, and excluding from such monetary payments received by the employee for or on account of said pre-existing disability or impairment a sum equal to all sums reasonably and necessarily expended by the employee for or on account of attorney's fees, costs and expenses incidental to the recovery of such monetary payments.

Application

The provisions of this section and Section 4751 as amended at the 1955 Regular Session of the Legislature shall apply only to disabilities resulting from an original subsequent injury sustained after this section and Section 4751 as amended at

the 1955 Regular Session of the Legislature become effective; provided, however, that all rights presently existing under this section and Section 4751 shall be continued in force.

The amendments to this section and Section 4751 adopted at the 1955 Regular Session of the Legislature shall remain in effect until the ninety-first day after the final adjournment of the 1957 Regular Session of the Legislature. While such amendments are in effect they shall supersede the provisions of this section and Section 4751 as they existed prior to such amendments; but such provisions are not repealed by such amendments, and after such amendments are no longer effective shall have the same force as though such amendments had not been enacted.

Termination
date

CHAPTER 1093

An act to add Section 5100.5 to the Labor Code, relating to commutation of compensation in workmen's compensation proceedings.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5100.5 is added to the Labor Code, to read:

5100.5. Notwithstanding the provisions of Section 5100, the commission shall not commute the compensation payable under this division to a lump sum when such compensation is payable under Section 4751 of the Labor Code.

CHAPTER 1094

An act to amend Sections 8, 10, and 17 of the Storm Water District Act of 1909 (Chapter 222 of the Statutes of 1909), relating to storm water districts.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 8 of the Storm Water District Act of 1909 is amended to read:

SEC. 8. Each storm water district shall have power to sue and be sued. The trustees thereof shall have power in the name and in behalf of the district to purchase, receive by donation or acquire by condemnation any rights of way or other real or personal property necessary to carry out the

Powers
and duties

purposes for which the district was formed, and for that purpose all the provisions of the Code of Civil Procedure relating to eminent domain are hereby made applicable to proceedings by such district to condemn property. The said board of trustees shall also have power to employ such engineers, surveyors and others as may be necessary to survey, plan, or locate, or supervise the construction or repair of, the improvements necessary to carry out the purposes for which the district was formed; to construct, maintain and keep in repair any and all improvements, requisite or necessary to carry out the purposes of the district; and to do any and all other acts and things necessary or required for the protection of the lands in said district from damage from storm waters and from waters of any innavigable stream, watercourse, canyon or wash; or for the spreading, conserving, storing, retaining or causing to percolate into the soil within such district any or all of such waters; and to employ the services of any person, legal or otherwise, which in the judgment of said board of trustees may be necessary to carry out said purposes. All work of construction, repair, or maintenance, the cost whereof exceeds one thousand five hundred dollars (\$1,500), shall be done by contract; and all contracts shall be let by the board to the lowest responsible bidder, who will give bond for the faithful performance thereof satisfactory to the board, after advertisement for bids published by their clerk for not less than 10 days in some newspaper of general circulation, designated by the board and published in the county in which the district or some part thereof is situated, specifying the time and place for the opening of bids, and the particular work to be bid for; provided, however, that the board may reject all bids and readvertise, and may by unanimous action in cases of great emergency, the nature of which shall be entered on their minutes, proceed at once to replace or repair any of the works or improvements of the district without advertisement.

SEC. 2. Section 10 of said act is amended to read:

Estimation
of improve-
ment costs

Sec. 10. After adopting said map, plans and specifications, the board of trustees shall appoint three commissioners, one of whom shall be a civil engineer, to assess benefits and damages and to estimate the total cost of making the proposed improvements, which estimate shall include all expenses of every kind incurred or to be incurred, either directly or indirectly, in carrying out said improvements. Before entering upon the discharge of their duties, the commissioners shall each take and subscribe an oath to perform the duties of such commission to the best of their ability, and shall each file with the clerk of said trustees a bond to the State of California in the penal sum of one thousand dollars (\$1,000), to faithfully perform the duties of the office of said commissioner, which bond must be approved by said board of trustees. The board of trustees may at any time remove any or all of said commis-

sioners for cause upon reasonable notice and hearing, and may fill any vacancies occurring among them from any cause. Said commissioners shall receive for their services such compensation as the trustees may determine from time to time. The compensation of the commissioners shall be considered as an expense of the improvements, and shall be chargeable and payable as other expenses thereof.

SEC. 3. Section 17 of said act is amended to read:

Sec. 17. Within one month after the filing of such certified ^{Assessments} copy of said report, assessment, plat and order with the tax collector, and the entry of the same upon the county assessment roll, said tax collector shall give notice by 10 days' publication in a newspaper of general circulation published in said district, or if there is none, in a newspaper of general circulation published in his county, that the assessment roll of ----- storm water district of ----- county, has been filed in his office, and entered upon the county assessment roll, with the date of such entry; that the amounts entered thereon are due and payable; that if not paid on or before the first Monday in January next ensuing, the same will become delinquent and will be collected in the same manner as delinquent taxes. If the first Monday in January next ensuing is less than three months from the date of filing the assessment roll with the tax collector, the date, to be stated in the notice, shall be three months after such entry upon the county assessment roll. The tax collector shall note on the county assessment roll all assessments paid, with the dates of payment, giving receipts as in the case of payments of taxes, and shall pay all money collected into the county treasury at the same time and in the same manner as money collected for taxes paid into such treasury. All collections of subsequent installments of the assessment shall be made in the same manner as above set forth, and the tax collector shall annually (after the first year), immediately after the first Monday of October give notice that the (giving the number) annual installment of the assessments of said district is now due and payable, and that if not paid on or before the first Monday of January next ensuing, the same will become delinquent and will be collected in the same manner as delinquent taxes; and the same proceedings shall be had thereon as upon the collection of the first assessment. Such notice shall be published once a week for two weeks in a newspaper of general circulation published in the district, if there is one published in the district, or, if none, in a newspaper of general circulation published in each county in which any part of the district is situated. If said district is situated in two or more different counties, all moneys collected on account of such assessment shall be paid into the treasury of the county in which said district was organized.

CHAPTER 1095

An act to amend Sections 72706, 72707, and 72708 of the Government Code, relating to commissioners of the municipal court.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 72706 of the Government Code is amended to read:

Municipal
court com-
missioners

72706. The judges of the municipal court shall appoint as many commissioners, not exceeding four, as the business of the court requires. Each commissioner shall possess the same qualifications as the law requires of a judge of the court. Within the jurisdiction of the court and under the direction of the judges, each commissioner shall exercise the powers and perform the duties authorized by law to be performed by commissioners of the superior court and such additional powers and duties as may be prescribed by law. The commissioners shall hold office at the pleasure of the judges and shall receive an annual salary equal to that specified in Section 70140 for commissioners of the superior court. The commissioners shall be ex officio deputy clerks of the court and shall be members of any retirement system which includes attaches of the court.

SEC. 2. Section 72708 of said code is amended to read:

Traffic com-
missioner

72708. The judges of the municipal court shall appoint a traffic commissioner who shall hold office at the pleasure of the judges and receive an annual salary equal to that specified in Section 70140 for commissioners of the superior court.

In addition if he possess the qualifications prescribed by law for such office, he may be appointed and serve as a general commissioner of the court as provided in Section 72706 without extra compensation. He shall be a member of any retirement system which includes attaches of the court.

SEC. 3. Section 72707 of the said code is amended to read:

Secretary
and jury
commis-
sioner

72707. The judges of the municipal court shall appoint a secretary and jury commissioner, who shall hold office at the pleasure of the judges and receive an annual salary which is five hundred dollars (\$500) in excess of that specified in Section 72706 for a commissioner of the municipal court.

He shall exercise the powers of jury commissioners of superior courts insofar as they are applicable to the municipal courts. In addition and without extra compensation, if he possesses the qualifications prescribed by law, he may be appointed and serve as a general commissioner of the court as provided in Section 72706. He shall be a member of any retirement system which includes attaches of the court.

CHAPTER 1096

An act to add Section 72702.5 to the Government Code, relating to the appointment of clerks in the municipal court.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 72702.5 is added to the Government Code, to read:

72702.5. The clerk may appoint one chief deputy clerk who shall receive a monthly salary at a rate specified in Schedule 23 of the salary schedule provided in Section 72705.

CHAPTER 1097

An act to amend Section 72701 of the Government Code, relating to referees of the municipal court.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 72701 of the Government Code is amended to read:

72701. There shall be one referee who shall be appointed by the judges of the court and who shall have the same qualifications, duties, and salary as those provided for commissioners of the municipal court in Section 72706.

CHAPTER 1098

An act to amend Sections 4064, 4065, and 4099 of, to repeal Sections 4066, 4067, and 4100 of, and to add Section 4066 to, the Business and Professions Code, relating to the practice of pharmacy, and the sale of drugs.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4064 of the Business and Professions Code is amended to read:

4064. Nothing in this article prevents the collection of any tax or license that may be imposed by any county or municipal authority. Local taxes and licenses

SEC. 2. Section 4065 of said code is amended to read:

4065. Before any license issued, each applicant for one shall apply to the Board of Pharmacy for an application. After Itinerant vendors Application

it has been properly filled out, it shall be filed with the board and the proper fee shall be paid. Applications shall be accompanied by satisfactory evidence of good moral character.

Repeal

SEC. 3. Sections 4066 and 4067 of said code are repealed.

Qualifications

SEC. 4. Section 4066 is added to said code, to read:

4066. The board may issue a license as an itinerant vendor to any person who meets the requirements of this article. Conviction for any violation of this chapter shall constitute grounds for denial of the issuance of any license under this article.

License

SEC. 5. Section 4099 of said code is amended to read:

4099. Upon receipt of the license fee provided in Section 4097, and upon the filing of the application therefor, accompanied by satisfactory evidence of good moral character, the board may issue a license to the applicant, authorizing him to conduct the business of itinerant vendor within this State, until the first day of January of the year next ensuing. Conviction for any violation of the provisions of this chapter shall constitute grounds for the denial of the issuance of the license.

Effect
Stats. 1955,
Ch 550

SEC. 6. Section 4100 of said code is repealed.

SEC. 7. Sections 5 and 6 of this act become operative only if Senate Bill No. 1387 is enacted by the Legislature at its 1955 Regular Session, and in such case at the same time as said Senate Bill No. 1387 takes effect, at which time Sections 4064 and 4065 of the Business and Professions Code, as amended by this act, and Section 4066 of the Business and Professions Code, as added by this act, are repealed.

CHAPTER 1099

An act to amend Sections 4002 and 4003 of, and to add Section 4361 to, the Business and Professions Code, relating to pharmacy.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 4002 of the Business and Professions Code is amended to read:

State
Board of
Pharmacy
Terms,
vacancies,
etc

4002. Members of the board shall be appointed for a term of four years. Each member shall hold office until the appointment and qualification of his successor or until six months shall have elapsed since the expiration of the term for which he was appointed, whichever first occurs. The terms of the members of the board in office when this chapter takes effect shall expire as follows: two members, January 15, 1956; two members, January 15, 1957; two members, January 15, 1958; and one member, January 15, 1959.

The terms shall expire in the same relative order as to such members as the terms for which they hold office before this chapter takes effect. Vacancies occurring shall be filled by appointment for the unexpired term.

SEC. 2. Section 4003 of said code is amended to read:

4003. No member of the board shall teach pharmacy in any Teaching of its branches, unless it be as a teacher in a public capacity and in a college of pharmacy.

No person shall serve as a member of the board for more than three consecutive terms, but this provision shall not apply to any member of the board when this limitation takes effect. Successive terms

SEC. 3. Section 4361 is added to said code, to read:

4361. A plea or verdict of guilty or a conviction following a plea of nolo contendere made to a charge of a felony or of any offense involving moral turpitude is deemed to be a conviction within the meaning of this article and Article 5 of this chapter. The board may order the license suspended or revoked, or may decline to issue a license, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment. Conviction of felony, etc.

CHAPTER 1100

An act to add Section 13533.5 to the Education Code, relating to the dismissal of certificated employees of school districts.

[Approved by Governor June 18, 1955. Filed with Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13533.5 is added to said code, to read:

13533.5. Upon any such trial, the court or any party may call and examine expert witnesses to testify as to any matter of professional or personnel standards, skill, fitness, competency, performance, or other such professional matters as may be involved in the subject matter at issue. Any such expert witness so called shall be examined as to his competency and qualifications as an expert and as to his bias, by the party or the court calling him. He shall be subject to objection as to such competency and qualifications or bias. If any such witness is called and examined by the court, the rights of the parties shall be those provided by Section 1871 of the Code of Civil Procedure.

If the court determines that any such witness is competent and qualified to testify as an expert as to any issue or matter involved in the trial, the court may also receive and consider as evidence any report thereon, or any relevant portions thereof, submitted by such expert witness individually or as a member of a commission on personnel standards, or a panel thereof, maintained by a state-wide professional educational association, but only if during such trial all members of such commission or panel are subject to the process of the court. The members of the commission, or of the panel which prepared the report may be called by the court or by any party to the proceeding to testify as expert witnesses as to the matters reported upon.

Before any such report or portion thereof may be introduced as evidence, a copy shall have been served upon the defendant at least 10 days before trial. Any report so received, and all testimony, statements and other proceedings before the commission, or the panel thereof, shall be deemed to be in connection with judicial proceedings within the meaning of Section 47 of the Civil Code.

The court may fix, and apportion and charge, the compensation and necessary expenses of any such expert or experts in the manner provided by Section 1871 of the Code of Civil Procedure.

CHAPTER 1101

An act to add Section 1603a to the Business and Professions Code, relating to the Board of Dental Examiners.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1603a is added to the Business and Professions Code, to read as follows:

1603a. A member of the Board of Dental Examiners who has served two terms shall not be eligible for reappointment to the board. In computing two terms hereunder, that portion of an unexpired term which a member fills as a result of a vacancy shall be excluded.

CHAPTER 1102

An act to amend Sections 5, 6, 11, 13, 14, 15, 16, 17, 18, 19, 22, 26, 27, and 29 of the Humboldt County Flood Control District Act (Chapter 939, Stats. 1945), relating to flood control in Humboldt County.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5 of the Humboldt County Flood Control District Act is amended to read:

Sec. 5. The objects and purposes of this act are to provide for the control of the flood and storm waters of the district and the flood and storm waters of streams that have their sources outside the district, but which streams and flood waters flow into the district, and to conserve such waters for beneficial and useful purposes by spreading, storing, retaining, and causing such waters to percolate into the soil within the district, or to save and conserve in any manner all or any of such waters and to protect from such flood or storm waters the public highways, life and property in the district, and the watercourses and watersheds in the district and the watercourses and watersheds of streams flowing into the district, and to increase, and to prevent the waste or diminution of the water supply in the district, and to obtain, retain and reclaim drainage, storm, flood and other waters for beneficial use within the district.

It is a further purpose of this act to provide water to inhabitants of the district for any domestic use, irrigation, sanitation, industrial use, fire protection and recreation and to provide for all necessary facilities for distribution, sale, and storage of water for distribution for any such uses.

SEC. 2. Section 6 of said act is amended to read:

Sec. 6. The district is hereby declared to be a body corporate and politic and as such shall have, in addition to the other powers vested in it by this act, the following powers:

1. To have perpetual succession.
2. To sue and be sued in the name of said district in all actions and proceedings in all courts and tribunals of competent jurisdiction.
3. To adopt a seal and alter it at pleasure.
4. To acquire by grant, purchase, lease, gift, devise, contract, condemnation, construction, or otherwise, and to hold, use, enjoy, sell, let, and dispose of real and personal property of every kind, including lands, structures, buildings, rights of way, easements, and privileges, and to construct, maintain, alter, and operate any and all works or improvements, within or without the district, necessary or proper to carry out any of the objects or purposes of this act and convenient to the full exercise of its powers, and to complete, extend, add to, repair or otherwise

Purposes
of act.

Powers of
district

Perpetual
succession

Suits

Seal

Acquisition
and disposal
of property

Construction
of works,
etc

improve any works, or improvements, or property acquired by it as authorized by this act.

Storage,
etc., of
waters

5. To furnish water for any of the purposes herein authorized and to construct all necessary facilities to distribute such water. To store water in surface or underground reservoirs within or outside of the district for the common benefit of the district or of any zone or zones affected; to conserve and reclaim water for present and future use within the district; to appropriate and acquire water and water rights, and import water into the district and to conserve within or outside of the district, water for any purpose of the district; to commence, maintain, intervene in, and compromise, in the name of the district, or otherwise, and to assume the costs and expenses of any action or proceeding involving or affecting the ownership or use of waters or water rights within or without the district, used or useful for any purpose of the district or of common benefit to any land situated therein, or involving the wasteful use of water therein; to commence, maintain, intervene in, defend and compromise and to assume the cost and expenses of any and all actions and proceedings now or hereafter begun; to prevent interference with or diminution of, or to declare rights in the natural flow of any stream or surface or subterranean supply of waters used or useful for any purpose of the district or of common benefit to the lands within the district or to its inhabitants; to prevent unlawful exportation of water from said district; to prevent contamination, pollution or otherwise rendering unfit for beneficial use the surface or subsurface water used in said district, and to commence, maintain and defend actions and proceedings to prevent any such interference with the aforesaid waters as may endanger or damage the inhabitants, lands, or use of water in or flowing into the district; provided, however, that said district shall not have power to intervene or take part in, or to pay the costs or expenses of, actions or controversies between the owners of lands or water rights which do not affect the interests of the district.

Prohibitions

Flood and
storm waters

6. To control the flood and storm waters of said district and the flood and storm waters of streams that have their sources outside of said district, but which streams and the flood waters thereof, flow into said district, and to conserve such waters for beneficial and useful purposes of said district by spreading, storing, retaining and causing to percolate into the soil within or without said district, or to save or conserve in any manner all or any of such waters and protect from damage from such flood or storm waters the watercourses, watersheds, public highways, life and property in said district, and the watercourses and watersheds outside of the district of streams flowing into the district.

Cooperation
with other
agencies

7. To cooperate and to act in conjunction with the State of California, or any of its engineers, officers, boards, commissions, departments or agencies, or with the Government of the United States, or any of its engineers, officers, boards, commissions, departments or agencies, or with any public or private corpo-

ration, or with the County of Humboldt, in the construction of any work for the controlling of flood or storm waters of or flowing into said district, or for the protection of life or property therein, or for the purpose of conserving said waters for beneficial use within said district, or in any other works, acts, or purposes provided for herein, and to adopt and carry out any definite plan or system of work for any such purpose.

8. To carry on technical and other necessary investigations, make measurements, collect data, make analyses, studies, and inspections pertaining to water supply, water rights, control of flood and storm waters, and use of water both within and without said district relating to watercourses of streams flowing in or into said district, and in all cases where land may be required for public use by said district, the district, or its agents in charge of such use, shall have the right of access to all properties within the district and elsewhere relating to watercourses and streams flowing in or into said district and may survey and locate the same; but such must be located in the manner which will be most compatible with the greatest public good and the least private injury. The district, or its agents in charge of such public use may enter upon such lands and make examinations, surveys, and maps thereof, and such entry shall constitute no cause of action in favor of the owners of such land, except for injuries resulting from negligence, wantonness, or malice.

9. To enter upon any land, to make surveys and locate the necessary works of improvement and the lines for channels, conduits, canals, pipelines, roadways and other rights of way; to acquire by purchase, lease, contract, condemnation, gift, devise, or other legal means all lands and water and water rights and other property necessary or convenient for the construction, use, supply, maintenance, repair and improvement of said works, including works constructed and being constructed by private owners, lands for reservoirs for storage of necessary water, and all necessary appurtenances, and also where necessary or convenient to said end, and for said purposes and uses, to acquire and to hold in the name of the State, the capital stock of any mutual water company or corporation, domestic or foreign, owning water or water rights, canals, waterworks, franchises, concessions, or rights, when the ownership of such stock is necessary to secure a water supply required by the district or any part thereof, upon the condition that when holding such stock, the district shall be entitled to all the rights, powers and privileges, and shall be subject to all the obligations and liabilities conferred or imposed by law upon other holders of such stock in the same company; to enter into and do any acts necessary or proper for the performance of any agreement with the United States, or any state, county, district of any kind, public or private corporation, association, firm or individual, or any number of them, for the joint acquisition, construction, leasing, ownership, disposition, use, management, maintenance, repair or operation of any rights, works

Technical
and other
investiga-
tions

Entry upon
land, loca-
tion of
works, etc.

or other property of a kind which might be lawfully acquired or owned by said Humboldt County Flood Control District; to acquire the right to store water in any reservoirs, or to carry water through any canal, ditch or conduit not owned or controlled by the district; to grant to any owner or lessee the right to the use of any water or right to store such water in any reservoir of the district, or to carry such water through any tunnels, canal, ditch, or conduit of the district; to enter into and do any acts necessary or proper for the performance of any agreement with any district of any kind, public or private corporation, association, firm or individual, or any number of them for the transfer or delivery to any such district, corporation, association, firm or individual of any water right or water pumped, stored, appropriated or otherwise acquired or secured, for the use of the Humboldt County Flood Control District, or for the purpose of exchanging the same for other water, water right or water supply in exchange for water, water right or water supply to be delivered to said district by the other party to said agreement; to cooperate with, and to act in conjunction with, the State of California, or any of its engineers, officers, boards, commissions, departments or agencies, or with the Government of the United States, or any of its engineers, officers, boards, commissions, departments or agencies, or with any public or private corporation, in the construction of any work for the controlling of flood or storm waters of streams in or running into said district, or for the protection of life or property therein, or for the purpose of conserving said waters for beneficial use within said district, or in any other works, acts, or purposes provided for herein, and to adopt and carry out any definite plan or system of work for any such purpose.

Indebtedness
and bonds

10. To incur indebtedness and to issue bonds in the manner herein provided, including, but not limited to, the issuance of bonds on a district-wide or zone basis, the proceeds to be used for the works necessary to obtain, store, supply, and distribute water to the inhabitants of the district for any purposes herein authorized.

Taxes or
assessments

11. To cause taxes or assessments to be levied and collected for the purpose of paying any obligation of the district, and to carry out any of the purposes of this act, in the manner hereinafter provided.

Contracts,
etc

12. To make contracts, and to employ labor, and to do all acts necessary for the full exercise of all powers vested in said district or any of the officers thereof, by this act.

SEC. 3. Section 11 of said act is amended to read:

Employment
of engineers

Sec. 11. The board shall have jurisdiction and power by resolution to employ competent registered civil engineers to investigate and carefully devise a plan or plans to carry out any of the powers or purposes of the district to control the flood and storm waters of the district, and the zones thereof, and the flood and storm waters of streams that have their sources outside of said district but which streams and the flood waters thereof flow into said district, and to conserve such

waters for beneficial and useful purposes by distributing or spreading, storing, retaining or causing to percolate into the soil within or without the district, or to save or conserve in any manner, any or all of such waters, and to protect the public highways, life and property within the district, and the watercourses and watersheds in the district and the watercourses and watersheds of streams flowing into the district, from damage relating to such waters; and to obtain such other information in regard thereto as may be deemed necessary or useful for carrying out the purposes of this act; and such resolution may direct such engineer or engineers to make and file reports from time to time with the board, which shall show:

Reports

1. A general description of the work proposed to be done, together with general plans, profiles, cross-sections, and general specifications relating thereto, on each project or work of improvement.

2. A general description of the lands, rights of way, easements and property proposed to be taken, acquired or injured in carrying out said work.

3. A map or maps which shall show the location and zones, as may be required, of each of said projects or improvements, and lands, rights of way, easements and property to be taken, acquired, or injured in carrying out said work, and any other information in regard to the same that may be deemed necessary or useful.

4. An estimate of the cost of each project or work of improvement, including an estimate of the cost of lands, rights of way, easements and property proposed to be taken, acquired or injured in carrying out said project or work of improvement, and also of all incidental expenses likely to be incurred in connection therewith, including legal, clerical, engineering, superintendence, inspection, printing and advertising, and stating the total amount of bonds, if any, necessary to be issued to pay for the same.

Such engineer or engineers shall from time to time and as directed by the board file with the board supplementary, amendatory and additional reports and recommendations, as necessity and convenience may require.

Such engineer or engineers, employed by the board, shall have power and authority, subject to the control and direction of said board, to employ such engineers, surveyors, and others, as may be required for making all surveys or doing any other work necessary for the making of such report.

Assistants

The board may at any time remove any or all of the engineers or employees appointed or employed under this act, and may fill any vacancies occurring among them from any cause.

Removal

SEC. 4. Section 13 of said act is amended to read:

Sec. 13. The board may institute district projects or projects for single zones and joint projects for two or more zones, and projects for subzones, for the financing, constructing, maintaining, operating, extending, repairing or otherwise improving any work or improvement of common benefit to the

Zone
projects

Resolution
of intentio

district or to such zone, subzone, or participating zones. For the purpose of acquiring authority to proceed with any such project, the board shall adopt a resolution specifying its intention to undertake such project, together with the engineering estimates of the cost of same to be borne by the district as a whole or by the particular zones, subzones, or participating zones and fixing a time and place for public hearing of said resolution and which shall refer to a map or maps showing the general location and general construction of said project. Notice of such hearing shall be given by publication once a week for two consecutive weeks prior to said hearing, the last publication of which notice must be at least seven (7) days before said hearing, in a newspaper of general circulation designated by the board, circulated in the district or in such zone, subzone, or each of said participating zones, if there be such newspaper, and if there be no such newspaper then by posting notice for two consecutive weeks prior to said hearing in five public places designated by the board, in the district or in such zone, subzone, or in each of said participating zones. Said notice must designate a public place in the district or in such zone, subzone, or in each of said participating zones where a copy or copies of the map or maps of said project may be seen by any interested person; said map must be posted in each of said public places so designated in said notice at least two weeks prior to said hearing.

Notice of
hearing

Hearing

At the time and place fixed for the hearing, or at any time to which said hearing may be continued, the board shall consider all written and oral objections to the proposed project. Upon the conclusion of the hearing the board may abandon the proposed project or proceed with the same, unless prior to the conclusion of said hearing written protests against the proposed project signed by a majority in number of the registered voters residing within the district or such zone, subzone, or participating zones be filed with the board, in which event further proceedings relating to such project must be suspended for not less than six months following the date of the conclusion of said hearing, or said proceeding may be abandoned in the discretion of the board.

SEC. 5. Section 14 of said act is amended to read:

Sec. 14. The board shall have power, in any year:

Tax levies

1. To levy ad valorem taxes or assessments upon all property in the district to pay the general administrative costs and expenses of the district, and to carry out any of the objects or purposes of this act of common benefit to the district, and

2. To levy taxes or assessments upon all property in each or any of said zones, subzones, and participating zones to pay the cost and expenses of carrying out, constructing, maintaining, operating, extending, repairing or otherwise improving any or all works or improvements established or to be established within or on behalf of said respective zones or subzones, according to the benefits derived or to be derived by said respective zones or subzones.

3. To levy taxes or assessments upon all property in each or any of said zones or subzones, according to the special benefits derived or to be derived by the specific properties therein to pay the cost and expenses of carrying out any of the objects or purposes of this act of special benefit to such zones or subzones, including the constructing, maintaining, operating, extending, repairing, or otherwise improving any or all works of improvement established or to be established within or on behalf of said respective zones or subzones.

In the event of project cooperation with any of the governmental bodies as authorized in Subdivision 7 of Section 6 of this act, and the making of a contract with any such governmental body for the purposes set forth in said Subdivision 7, by the terms of which work is agreed to be performed by any such governmental body in any specified zones, subzones, or participating zones, for the particular benefit thereof, and by said contract it is agreed that the district is to pay to such governmental body, a sum of money in consideration or subvention for the performance of said work by such governmental body, the board may levy and collect a special tax or assessment upon the property in such zone, subzone, or participating zones, whereby to raise funds to enable the district to make such payment, in addition to other taxes or assessments herein otherwise provided for.

Special
tax or
assessment

Said taxes or assessments shall be levied and collected together with, and not separately from taxes for county purposes, and the revenues derived from said district taxes or assessments shall be paid into the county treasury to the credit of said district, or the respective zones or subzones thereof, and the board shall have the power to control and order the expenditure thereof for said purposes; provided, however, that no revenues, or portions thereof, derived in any of the several zones or subzones from the taxes or assessments levied under the provisions of Subdivision 2 of this section shall be expended for constructing, maintaining, operating, extending, repairing or otherwise improving any works or improvements located in any other zone, or outside of such subzone, except in the case of joint projects, or for projects authorized or established outside such subzones, zone, or zones, but for the benefit thereof. In cases of projects joint to two or more zones, for which purpose a subzone may be construed to be a zone, such zones will become, and shall be referred to as, participating zones.

Collection
and
disposition

4. Notwithstanding any other provisions of this act, to levy taxes or assessments upon all real property and the improvements thereon on a district-wide basis to pay the cost and expenses of carrying out, constructing, maintaining, operating, extending, repairing or otherwise improving or constructing any or all works or improvements established to supply or distribute water.

Notwithstanding any other provision of this act, all assessments or taxes shall be levied on all real property and the improvements thereon only and any bonds issued under this

act shall constitute a lien on real property and the improvements thereon only.

SEC. 6. Section 15 of said act is amended to read:

Resolution
to incur
bonded debt

Sec. 15. (1) Whenever the board determines that a bonded indebtedness should be incurred to pay the cost of any work or improvement in the district or any zone, subzone, or zones, the board may by resolution, determine and declare the respective amounts of bonds in order to raise the amount of money necessary for each work or improvement and the denomination and rate of interest of said bonds. The board shall cause a copy of the resolution, duly certified by the clerk, to be filed for record in the office of the recorder of Humboldt County within five (5) days after its issuance. From and after said filing of said copy of said resolution the board shall be deemed vested with the authority to proceed with the bond election.

Filing for
record

Special
election

(2) After the filing for record of the resolution specified in subdivision (1) of this section, the board may call a special election in the district or said zone, subzone, or participating zones at which shall be submitted to the qualified electors of the district or said zone, subzone, or participating zones the question whether or not bonds shall be issued in the amount or amounts determined in said resolution and for the purpose or purposes therein stated. Said bonds and the interest thereon shall be paid from revenue derived from annual taxes or assessments levied upon the property situated within the district or the zone, subzone, or participating zones, and all such property shall be and remain liable to be taxed or assessed for such payments as provided in this act.

Ordinance

(3) Said board shall call such special bond election by ordinance and not otherwise and submit to the qualified electors of the district or said zone, subzone, or participating zones, the proposition of incurring a bonded debt in the district or such zone, subzone, or participating zones in the amount and for the purposes stated in said resolution and shall recite therein the objects and purposes for which the indebtedness is proposed to be incurred; provided, that it shall be sufficient to give a brief, general description of such objects and purposes, and refer to the recorded copy of such resolution adopted by said board, and on file for particulars; and said ordinances shall also state the estimated cost of the proposed work and improvements, the amount of the principal of the indebtedness to be incurred therefor, and what part or installment of such indebtedness shall be paid each and every year, and which shall not in any one year be less than one-fortieth (1/40) of the whole amount of the principal and interest of such indebtedness, and the rate of interest to be paid on said indebtedness, and shall fix the date on which such special election shall be held, and the form and contents of the ballot to be used. The rate of interest to be paid on such indebtedness shall not exceed five percent (5%) per annum. For the purposes of said election, said board shall in said ordinance establish election precincts within the boundaries of the district or each zone,

Election
precincts,
etc

subzone, and participating zone and may form election precincts by consolidating the precincts established for general election precincts in said district to a number not exceeding six general precincts for each such bond election precinct, and shall designate a polling place and appoint one inspector, one judge and one clerk for each of such bond election precincts.

In all particulars not recited in said ordinance, such election shall be held as nearly as practicable in conformity with the general election laws of the State.

Said board shall cause a map or maps to be prepared covering a general description of the work to be done, which said map shall show the location of the proposed works and improvements and shall cause the said map to be posted in a prominent place in the county courthouse for public inspection for at least thirty (30) days before the date fixed for such election. Maps Preparation and posting

Said ordinance calling for such election shall, prior to the date set for such election, be published in a newspaper of general circulation circulated in the district or in each zone, subzone, and participating zone affected for six consecutive times if published in a daily newspaper of general circulation, or two times if published in a weekly newspaper of general circulation. The last publication of such ordinance must be at least fourteen (14) days before said election, and if there be no such newspaper, then such ordinance shall be posted in five public places designated by the board, in the district or in each zone, subzone, and participating zone affected for at least thirty (30) days before the date fixed for such election. No other notice of such election need be given nor need polling place cards be issued. Publication and posting of election notices

Any defect or irregularity in the proceedings prior to the calling of such election shall not affect the validity of the bonds authorized by said election. If at such election two-thirds ($\frac{2}{3}$) of the votes cast are in favor of incurring such bonded indebtedness, then bonds for the district or such zone, subzone or participating zones for the amount stated in such proceedings shall be issued and sold as in this act provided. Two-thirds vote

SEC. 7. Section 16 of said act is amended to read:

Sec. 16. The board shall, subject to the provisions of this act, prescribe by resolution the form of said bonds, which must include a designation of the zone, subzone, or participating zones affected, or a statement that the bonds are district-wide if such is the case, and of the interest coupons attached thereto. Said bonds shall be payable annually or semiannually at the discretion of the board each and every year on a day and date, and at a place to be fixed by said board, and designated in such bonds, together with the interest on all sums unpaid on such date until the whole of said indebtedness shall have been paid. Bonds Form
Time and place payable

Denomi-
nations

Interest rate

Signatures

The bonds shall be issued in such denominations as the board may determine, except that no bonds shall be of a less denomination than one hundred dollars (\$100), nor of a greater denomination than one thousand dollars (\$1,000), and shall be payable on the days and at the place fixed in said bonds, and with interest at the rate specified in such bonds, which rate shall not be in excess of five per centum (5%) per annum, and shall be made payable annually or semiannually, and said bonds shall be numbered consecutively and shall be signed by the chairman of the board, and countersigned by the auditor of said Humboldt County, and the seal of said district shall be affixed thereto by the clerk of the board. The interest coupons of said bonds shall be numbered consecutively and signed by the auditor of Humboldt County by his engraved or lithographed signature. In case any such officer whose signatures or countersignatures appear on the bonds or coupons shall cease to be such officer before the delivery of such bonds to the purchaser, such bonds and coupons, and signatures or countersignatures shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until the delivery of the bonds.

Sale of
bondsDisposition
of proceedsPayments
from zone
funds

SEC. 8. Section 17 of said act is amended to read:

Sec. 17. The board may issue and sell the bonds of the district or of such district zones, authorized as hereinbefore provided, at not less than par value, and the proceeds of the sale of such bonds shall be placed in the treasury of the County of Humboldt to the credit of said district or the respective participating zones thereof, for the uses and purposes of the district or of the zone, subzone, or zones voting said bonds; and the proper record of such transactions shall be placed upon the books of said county treasurer, and said respective zone funds or district-wide fund shall be applied exclusively to the purposes and objects mentioned in the ordinance calling such special bond election as aforesaid, subject to the provisions in this act contained. Payments from said zone funds or district fund shall be made upon demands prepared, presented, allowed and audited in the same manner as demands upon the funds of the County of Humboldt. Before selling the bonds, or any part thereof, the legislative body shall give notice not less than 10 days prior to the date of sale by publication in a newspaper of general circulation circulating in the district inviting sealed bids in such manner as the legislative body shall prescribe. If satisfactory bids are received, the bonds offered for sale shall be awarded to the highest responsible bidder. If no bids are received, or if the legislative body determines that the bids received are not satisfactory as to price or responsibility of the bidders, the legislative body may reject all bids received, if any, and either readvertise or sell the bonds at private sale.

Lien

SEC. 9. Section 18 of said act is amended to read:

Sec. 18. Any bonds issued under the provisions of this act shall be a lien upon all property of the district or of the zone,

subzone, or zones of issuance as the case may be, and the lien for the bonds of any issue shall be a preferred lien to that of any subsequent issue. Said bonds and the interest thereon shall be paid by revenue derived from an annual tax or assessment upon all property within the district where appropriate, or the zone, subzone, or participating zones, and all property in said zone, subzone, or participating zones shall be and remain liable to be taxed or assessed for such payments as hereinafter provided. No zone or subzone, nor the property therein shall be liable for the share of bonded indebtedness of any other zone, district, nor shall any moneys derived from taxation or assessment in any of the several zones or subzones be used in payment of principal or interest or otherwise of the share of bonded indebtedness chargeable to any other zone.

Annual tax
for pay-
ment, etc

Said bonds may be deposited and registered with the treasurer of the county, and it shall be an official duty of said treasurer to receive and register said bonds in the name of the holder and to keep a sufficient book of registry thereof setting forth a description of the bonds and the names and addresses of the respective holders, and to give each holder of such bonds so registered a receipt therefor; that said receipts shall be personal to the respective holders and not transferable. That such bonds shall be returned to such holders thereof or in case of death to the duly appointed personal representative of the holder's estate upon the giving of receipt therefor, with or without return of the receipt given by the treasurer at the time of such deposit and registry. And the treasurer, at the request of such holder, or such personal representative, may detach and deliver to such holder or personal representative, mature coupons from time to time, first taking receipts therefor.

Deposit and
registration
of bonds

SEC. 9.5. Section 19 of said act is amended to read:

Sec. 19. The board shall levy a tax or assessment each year upon all property in the district or the zone, subzone, or zones of issuance sufficient to pay the interest upon said bonds for that year, and such portion of the principal thereof as is to become due before the time for making the next general tax levy. Such taxes or assessments shall be levied and collected in the respective district, zones, or subzones of issuance together with and not separately from taxes for county purposes, and when collected shall be paid into the county treasury of said Humboldt County to the credit of the district or of the zone or subzone of payment, and be used for the payment of the principal and interest on said bonds, and for no other purpose. The principal and interest on said bonds shall be paid by the county treasurer of said Humboldt County in the manner provided by law for the payment of principal and interest on bonds of said county.

Tax in
zones, etc.

SEC. 10. Section 22 of said act is amended to read:

Sec. 22. The bonds of the district or those issued for any zone, subzone, or zones thereof pursuant to this act, shall be legal investments for all trust funds, and for the funds of all insurance companies, banks, both commercial and savings, and

Bonds
as legal
investments

trust companies, and for the State school funds, and whenever any money or funds may by law now or hereafter enacted be invested in bonds of cities, cities and counties, counties, school districts or municipalities in the State of California, such money or funds may be invested in the said bonds of said district issued in accordance with the provisions of this act, and whenever bonds of cities, cities and counties, counties, school districts or municipalities, may by any law now or hereafter enacted be used as security for the performance of any act, such bonds of said district may be so used.

Inconsistent
laws

This section of this act is intended to be and shall be considered the latest enactment with respect to the matters herein contained, and any and all acts or parts of acts in conflict with the provisions hereof are hereby repealed.

SEC. 11. Section 26 of said act is amended to read:

Additional
bonds

Sec. 26. Whenever bonds have been authorized by the district as a whole or by any zone, subzone, or participating zone of said district and the proceeds of the sale thereof have been expended as in this act authorized, and the board shall by resolution determine that additional bonds should be issued for carrying out the work for any of the purposes of this act, the board may again proceed as in this act provided, and submit to the qualified voters of the district or of said zone, subzone, or participating zone, the question of issuing additional bonds in the same manner and with like procedure as hereinbefore provided, and all the above provisions of this act for the issuing and sale of such bonds, and for the expenditure of the proceeds thereof, shall be deemed to apply to such issue of additional bonds.

SEC. 12. Section 27 of said act is amended to read:

Limitation
on holding
new election

Sec. 27. Should a proposition for issuing bonds for the district or for any zone, subzone, or participating zones submitted at any election under this act fail to receive the requisite number of votes of the qualified electors voting at such election to incur the indebtedness for the purpose specified, the board shall not for six months after such election call or order another election in the district or in such zone, subzone, or participating zone for incurring indebtedness and issuing bonds under the terms of this act for the same objects and purposes.

SEC. 13. Section 29 of said act is amended to read:

Grant of
right of way
for works

Sec. 29. There is hereby granted to Humboldt County Flood Control District the right of way for the location, construction and maintenance of flood control channels, ditches, waterways, conduits, canals, storm dikes, embankments, and protective works in, over and across public lands of the State of California, not otherwise disposed of or in use, not in any case exceeding in length or width that which is necessary for the construction of such works and adjuncts or for the protection thereof. Whenever any selection of a right of way for such works or adjuncts thereto is made by the district the board thereof must transmit to the State Lands Commission, the Controller of the State and the recorder of the county in

which the selected lands are situated, a plat of the lands so selected, giving the extent thereof and the uses for which the same is claimed or desired, duly verified to be correct. If the State Lands Commission shall approve the selections so made it shall endorse its approval upon the plat and issue to the district a permit to use such right of way and lands.

Approval
of grant

CHAPTER 1103

An act to amend Section 4200 of the Government Code, relating to the posting of bonds on public works contracts.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 4200 of the Government Code is amended to read:

4200. Every person to whom is awarded a contract involving an expenditure in excess of one thousand dollars (\$1,000) for the improvement, erection or construction of any building, road, bridge or other structure, excavating, or other mechanical work for the State, or for any political subdivision or agency of the State shall, before entering upon the performance of the work, file a good and sufficient bond with the officer or body by whom the contract was awarded.

CHAPTER 1104

An act to amend Sections 3, 6.1, 11, and 13 of, and to add Sections 3.5 and 3.6 to, the Marin County Flood Control and Water Conservation District Act (Chapter 666 of the Statutes of 1953), relating to flood control in Marin County.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3 of the Marin County Flood Control and Water Conservation District Act is amended to read:

Sec. 3. The board of supervisors of the district created by this act, by resolution thereof adopted from time to time, may establish zones within said district without reference to the boundaries of other zones, setting forth in such resolutions descriptions thereof by metes and bounds and entitling each of such zones by a zone number, and institute zone projects for specific benefit of such zones.

Establish-
ment of
zones

Proceedings, including a hearing and determination of protests, for the establishment of any zone or any project shall

be conducted in the manner prescribed in Section 11 of this act.

Proceedings for the establishment of zones may be conducted concurrently with and as a part of proceedings for the instituting of projects relating to such zones.

SEC. 2. Section 3.5 is added to said act, to read:

Concurrence
of city

Sec. 3.5. Before acquiring authority to proceed with the establishment of any zone the exterior boundaries of which will include any land lying within the exterior boundaries of any chartered or incorporated city within the district, the board of supervisors shall first obtain the concurrence of such city to conduct such proceedings, such concurrence to be evidenced by a resolution or ordinance adopted by a majority of the members of the city council of such city, or by a vote of a majority of the qualified electors residing in such city or portion thereof to be included in said zone voting at any regular or special election on said proposition; said election shall in all particulars be held as provided by law for holding a municipal election in said city and the cost thereof shall be a city charge.

SEC. 3. Section 3.6 is added to said act, to read:

Protests

Sec. 3.6. The unincorporated area of a proposed zone shall be excluded if written protests are filed with the board, signed by registered voters of the unincorporated area to be included in the proposed zone equal in number to 50 percent of the votes cast for the Office of Governor at the last gubernatorial election in the unincorporated area of the proposed zone, or signed by holders of title to real property or assessable rights therein equal in value to one-half or more of the assessed value of the real property in the unincorporated area of the proposed zone with the determination of who may sign such protests to be made in the same manner as are determinations of who may sign the protests to establishment of zones or projects under Section 11 of this act.

SEC. 4. Section 6.1 of said act is amended to read:

Commission
appointed

Sec. 6.1. The board shall appoint a commission consisting of one member from each incorporated city within the County of Marin and such additional members as the board may deem adequate for proper representation from the balance of the County of Marin to assist and advise said board in the institution of projects or works of improvement, and the board may by ordinance provide for compensation for services and payment of the actual necessary expenses incurred by said members in the performance of official duties under this act, payable from the funds of the district. Members of the advisory commission shall serve at the pleasure of the board.

SEC. 5. Section 11 of said act is amended to read:

Authorized
projects

Sec. 11. The board may institute projects for single zones and joint projects for two or more zones, for the financing, constructing, maintaining, operating, extending, repairing or otherwise improving any work or improvement of common benefit to such zones or participating zones and may establish

zones. For the purpose of acquiring authority to proceed with any such project or establishment of a zone, the board shall adopt a resolution specifying its intention to undertake such project or zone establishment, together with the engineering estimates of the cost of any project to be borne by the particular zone and in the case of participating zones the proportionate cost to be borne by each of the participating zones and fixing a time and place for public hearing of said resolution and which shall refer to a map or maps showing the general location and general construction of said project or proposed zone. Notice of such hearing shall be given by publication once a week for two consecutive weeks prior to said hearing, the last publication of which notice must be at least seven (7) days before said hearing, in a newspaper of general circulation, circulated in such zone or each of said participating zones, if there be such newspaper, and if there be no such newspaper then by posting notice for two consecutive weeks prior to said hearing in five public places designated by the board, in such zone or territory of a proposed zone or in each of said participating zones. Said notice must designate a public place in such zone or territory of a proposed zone or in each of said participating zones where a copy or copies of the map or maps of said joint project may be seen by any interested person. Said map must be posted in each of said public places so designated in said notice at least two weeks prior to said hearing.

Resolution of
intentionNotice of
hearing

At the time and place fixed for the hearing, or at any time to which said hearing may be continued, the board shall consider all written and oral objections to the proposed project or zone. Upon the conclusion of the hearing the board may abandon the proposed project or zone or proceed with the same, unless prior to the conclusion of said hearing a written protest against the proposed project or zone signed by a majority in number of the holders of title to real property, or assessable rights therein, or evidence of title thereto, representing one-half or more of the assessed valuation of the real property within such zone or within any of the participating zones for which said project was initiated or the territory to be included in the proposed zone, be filed with the board, in which event further proceedings relating to such project or zone must be suspended for not less than six months following the date of the conclusion of said hearing, or said proceeding may be abandoned in the discretion of the board.

Protests

In all matters in this section referred to, the last equalized assessment roll of the County of Marin next preceding the filing of the protest shall be prima facie evidence as to the ownership of real property, the names and number of the persons who are the holders of title or evidence of title, or assessable rights therein, and as to the assessed valuation of real property within the zone, or proposed zone, or within any of the participating zones for which the project was initiated.

Evidence of
ownership

Protests by
executors,
administrators,
etc.

Executors, administrators, special administrators and guardians may sign the protest provided for in this act on behalf of the estate represented by them. If the property is assessed in the name of such representatives, that fact shall establish the right of such representatives to sign the protest; if assessed in the name of the decedent, minor or incompetent person, certified copies of the letters or such other evidence as may be satisfactory to the board must be produced.

Common,
etc. owner-
ship

Where real property appears to be owned in common or jointly or by a partnership, or where letters of representatives of decedents, minors or guardians are joint, only one of the owners or representatives or partners may sign the protest for all joint owners or representatives or partners; provided, the party claiming the right to protest for all produces the written consent of his co-owners or representatives or partners so to do, duly acknowledged by the consenting co-owners or representatives or partners in the manner that deeds of real property are required to be acknowledged to entitle such deeds to be recorded in the recorder's office of the county except that if the property jointly held is held by husband and wife and occupied by them as a dwelling, if the other spouse consents, the protest may be signed by either spouse without producing written evidence of the other's consent.

Trustees

Where real property is assessed in the name of a trustee or trustees, such trustee or trustees shall be deemed to be the person entitled to sign the protest, and if assessed in the name of more than one trustee the right to sign the protest shall be determined in like manner as above provided with respect to co-owners.

Public corporations,
etc.

The protest of any public or quasi-public corporation, private corporation or unincorporated association, may be signed by any person authorized by the board of directors or trustees or other managing body thereof, which authorization shall be in writing; and a proxy executed by an officer or officers thereof, attested by its seal and duly acknowledged, shall constitute sufficient evidence of such authority, and shall be filed with the board.

Owner not
of record

The owner of any real property or interest therein, appearing upon the assessment roll, which has been assessed in the wrong name or to unknown owners or which has passed from the owner appearing as such on the last equalized assessment roll, since the same was made, shall be entitled to sign the protest represented thereby, either by the production of a proxy from such former owner, or by furnishing evidence of his ownership by a conveyance duly acknowledged showing the title to be vested in the person claiming the right to sign the protest, accompanied by a certificate of a competent searcher of titles, certifying that a search of the official records of the county, since the date of the conveyance, discloses no conveyance or transfer out from the grantee or transferee named in the conveyance.

Where the real property has been contracted to be sold, the vendee shall be entitled to sign the protest, unless such real property is assessed in the name of the vendor, in which event the vendor shall be entitled to so do. Vendee

The board shall likewise be entitled to inquire and take evidence for the purpose of identifying any person claiming the right to sign the protest as being the person shown on the assessment roll or otherwise as entitled thereto. And, unless satisfactory evidence is furnished, the right to sign said protest may be denied.

SEC. 6. Section 13 of said act is amended to read:

Sec. 13. (1) Whenever the board determines that a bonded indebtedness should be incurred to pay the cost of any work or improvement in any zone or zones, the board may by resolution, determine and declare the respective amounts of bonds necessary to be issued in each zone in order to raise the amount of money necessary for each work or improvement and the denomination and the maximum rate of interest of said bonds. The board shall cause a copy of the resolution, duly certified by the clerk, to be filed for record in the Office of the Recorder of Marin County within five (5) days after its issuance. From and after said filing of said copy of said resolution the board shall be deemed vested with the authority to proceed with the bond election. Bond
Issues
Procedure

(2) After the filing for record of the resolution specified in subdivision (1) of this section, the board may call a special bond election in said zone or participating zones at which shall be submitted to the qualified electors of said zone or participating zones the question whether or not bonds shall be issued in the amount or amounts determined in said resolution and for the purpose or purposes therein stated. Said bonds and the interest thereon shall be paid from revenue derived from annual taxes or assessments levied upon the property situated within the zone or participating zones, and all such property shall be and remain liable to be taxed or assessed for such payments as provided in this act. Special
election

(3) Said board shall call such special bond election by ordinance and not otherwise and submit to the qualified electors of said zone or participating zones, the proposition of incurring a bonded debt in said zone or participating zones in the amount and for the purposes stated in said resolution and shall recite therein the objects and purposes for which the indebtedness is proposed to be incurred; provided, that it shall be sufficient to give a brief, general description of such objects and purposes, and refer to the recorded copy of such resolution adopted by said board, and on file for particulars; and said ordinance shall also state the estimated cost of the proposed work and improvements, the amount of the principal of the indebtedness to be incurred therefor, and what part or installment of such indebtedness shall be paid each and every year, and which shall in each year be approximately one-fortieth ($\frac{1}{40}$) of the aggregate of the whole amount of the principal and the total

amount of interest to be paid over the entire term of such indebtedness, and the maximum rate of interest to be paid on said indebtedness, and shall fix the date on which such special election shall be held, and the form and contents of the ballot to be used. The rate of interest to be paid on such indebtedness shall not exceed five percent (5%) per annum. For the purpose of said election, said board shall in said ordinance establish special bond election precincts within the boundaries of each zone and participating zone and may form election precincts by consolidating the precincts established for general elections in said district to a number not exceeding six general precincts for each such special bond election precinct, and shall designate a polling place and appoint one inspector, one judge and one clerk for each of such special bond election precincts.

In all particulars not recited in said ordinance, such special bond election shall be held as nearly as practicable in conformity with the general election laws of the State.

Maps

Said board shall cause a map or maps to be prepared covering a general description of the work to be done, which said map shall show the location of the proposed works and improvements and shall cause the said map to be posted in a prominent place in the county courthouse for public inspection for at least thirty (30) days before the date fixed for such election.

Publication

Said ordinance calling for such special bond election shall, prior to the date set for such election, be published in a newspaper of general circulation circulated in each zone and participating zone affected for six consecutive times if published in a daily newspaper of general circulation, or two consecutive times in a weekly newspaper of general circulation. The last publication of such ordinance must be at least fourteen (14) days before said election, and if there be no such newspaper, then such ordinance shall be posted in five public places designated by the board, in each zone and participating zone for at least thirty (30) days before the date fixed for such election. No other notice of such election need be given nor need polling place cards be issued.

Defect in proceedings

Any defect or irregularity in the proceedings prior to the calling of such special bond election shall not affect the validity of the bonds authorized by said election. Where a project affects a single zone only, if at such election two-thirds ($\frac{2}{3}$) of the votes cast in said zone on the proposition of incurring a bonded indebtedness are in favor thereof, then bonds for such zone for the amount stated in such proceedings shall be issued and sold as in this act provided. Where the incurring of bonded indebtedness by participating zones is to be determined at such election, no bonds for any such participating zones shall be issued or sold unless two-thirds ($\frac{2}{3}$) of the votes cast on the proposition in each such participating zone are in favor of incurring the bonded indebtedness to be undertaken by such zone.

CHAPTER 1105

An act to amend Section 31595 of the Government Code, relating to investment of county retirement system funds.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 31595 of the Government Code is amended to read:

31595. All funds received by the county treasurer not required for current disbursements shall be invested only in:

(a) Securities which are legal for savings bank investments in the State or which have been certified as legal investments for savings banks pursuant to Division 10 of the Water Code, or any bonds which, pursuant to the statutes or laws providing for the issuance of such bonds are entitled to the same force or value or use as bonds issued by any municipality, or any bonds issued pursuant to those acts, statutes or laws of this State wherein such law specifically states by reference or otherwise that such bonds shall be legal investments for either savings banks, insurance companies, all trust funds, state school funds and any funds which may be invested in bonds of cities, counties, cities and counties, school districts, or municipalities in the State, or any bonds which have been investigated and approved by a commission or board now or hereafter authorized by law to conduct such investigation and give such approval and by authority of which said bonds are declared to be legal investments for insurers.

(b) Deposits at interest in any state or national bank in accordance with law authorizing and controlling the deposit of public funds in banks.

(c) Certificates and shares of a building and loan association or a federal savings and loan association if the certificates or shares are insured as defined in Title IV of the National Housing Act.

(d) Registered warrants of any political subdivision of this State.

(e) Real property or improvements constructed or to be constructed on real property when such real property or such improvements are acquired for sale or lease to a county of this State and subject to the limitations of this article.

(f) Deeds of Trust and Mortgages. Not to exceed 10 percent of all funds invested may be invested pursuant to this subdivision. Such investment may be made by the retirement board with the approval of the board of supervisors of said county.

CHAPTER 1106

An act to amend Section 6363 of the Revenue and Taxation Code, relating to sales and use taxes.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 6363 of the Revenue and Taxation Code is amended to read:

6363. There are exempted from the taxes imposed by this part the gross receipts from the sale of, and the storage, use, or other consumption in this State of, meals and food products for human consumption served to the students or teachers of a school by public or private schools, school districts, student organizations, parent-teacher associations, and any blind person (as defined in Section 6905 of the Government Code) operating a restaurant or vending stand in an educational institution under Chapter 11 of Division 7 of Title 1 of the Government Code, and meals and food products for human consumption served by employers or employee organizations to the employees engaged in work upon a particular project or undertaking. The term "food products" as used in this section has the meaning ascribed to it in Section 6359 except that the term includes foods furnished, prepared, or served for consumption at tables, chairs, or counters, or from trays, glasses, dishes, or other tableware provided by the retailer.

CHAPTER 1107

An act to add Article 3 to Chapter 4, Division 5, Title 1 of the Government Code, relating to services and supplies furnished by agricultural aircraft operators to public agencies.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 3 is added to Chapter 4, Division 5, Title 1 of the Government Code, to read:

Article 3. Services and Supplies of Agricultural
Aircraft Operators

4360. As used in this article

(a) "Agricultural aircraft operator" means any person who applies, from an aircraft, chemicals, seeds, or fertilizers.

(b) "Services" means the application, from an aircraft, of chemicals, seeds, or fertilizers.

(c) "Supplies" means supplies used by an agricultural aircraft operator in performing services.

4361. Public officers and bodies charged with the purchase or the letting of contracts for services or supplies for any public use may give such contracts and purchase such services and supplies from agricultural aircraft operators who are residents of California if the bids of such persons, or the prices quoted by them, do not exceed by more than 5 percent the lowest bids or prices quoted by agricultural aircraft operators who are not residents of California.

CHAPTER 1108

An act to amend Sections 737, 739 and 743.6 of the Vehicle Code, relating to written notice to appear for traffic offenses.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 737 of the Vehicle Code is amended to read:

737. When Officer Has Option to Take Arrested Person Before a Magistrate. Whenever any person is arrested for any of the following offenses and the arresting officer is not required as hereinbefore provided to take such person without unnecessary delay before a magistrate, the arrested person shall, in the judgment of the arresting officer, either be given a 10 days' notice to appear as herein provided or be taken without unnecessary delay before a magistrate within the county in which the offense charged is alleged to have been committed and who has jurisdiction of such offense and is nearest or most accessible with reference to the place where said arrest is made or, if the magistrate is not available, before his clerk or a jail custodian, as provided in Section 737.1.

Officer's
option to
take
arrested
person before
magistrate

(a) Section 504, relating generally to injuring or tampering with a vehicle.

(b) Section 505, relating to reckless driving, when such offense causes injury to any person.

(c) Section 662, relating to a failure or refusal of the driver of a vehicle to stop and submit to an inspection or test of the lamps upon such vehicle under Section 663 hereof, which is punishable as a misdemeanor.

(d) Section 670(e), relating to a failure or refusal of the driver of a vehicle to stop and submit to a brake test which is punishable as a misdemeanor.

(e) Section 709(e), relating to refusal to submit vehicle and load to a weighing which is punishable as a misdemeanor.

(f) Section 481, relating to failure to stop in the event of an accident involving damage to property.

(g) Section 483, relating to failure to stop after collision with an unattended vehicle.

(h) Section 601.5, relating to participating in speed contests.

(i) Section 332, relating to driving while license is suspended or revoked.

(j) When the person arrested has attempted to evade arrest.

(k) Section 608.3, relating to persons upon vehicular crossings.

SEC. 2. Section 739 of said code is amended to read:

When person
arrested to
be given
notice to
appear

739. When Person Arrested to Be Given Notice to Appear.

(a) Whenever a person is arrested for any violation of this code, not declared herein to be a felony, or for a violation of an ordinance of a city, county, or city and county, relating to traffic offenses, and such person is not immediately taken before a magistrate as hereinbefore required or permitted, the arresting officer shall prepare in duplicate a written notice to appear in court or before a person authorized to receive a deposit of bail, containing the name and address of such person, the license number of his vehicle, if any, the offense charged and the time and place when and where such person shall appear.

(b) The time specified in said notice to appear must be at least 10 days after such arrest.

(c) The place specified in said notice to appear shall be either:

(1) Before a magistrate within the county in which the offense charged is alleged to have been committed and who has jurisdiction of the offense and is nearest or most accessible with reference to the place where said arrest is made; or

(2) Upon demand of the person arrested, before a municipal court judge or other magistrate having jurisdiction of such offense at the county seat of the county in which such offense is alleged to have been committed or before a magistrate in the judicial district in which the offense is alleged to have been committed.

(3) Before a person authorized to receive a deposit of bail. The clerk and deputy clerks of the municipal and justice's courts are persons authorized to receive bail in accordance with a schedule of bail approved by the judges of said courts.

(d) Said officer shall deliver one copy of said notice to appear to the arrested person and said arrested person in order to secure release must give his written promise so to appear in court or before a person authorized to receive a deposit of bail by signing the duplicate notice which shall be retained by said officer. Thereupon the arresting officer shall forthwith release the person arrested from custody.

(e) Said officer shall, as soon as practicable, file said duplicate notice with the magistrate or before a person authorized to receive a deposit of bail specified therein. If bail has not

been previously fixed and approved by the judges of the court in accordance with a schedule of bail, the magistrate shall fix the amount of bail which in his judgment, in accordance with the provisions of Section 1275 of the Penal Code, will be reasonable and sufficient for the appearance of the defendant and shall endorse upon said notice a statement signed by him in the form set forth in Section 815a of the Penal Code. The defendant may, prior to the date upon which he promised to appear, deposit with the magistrate or the person authorized to receive a deposit of bail the amount of bail thus set. Thereafter, at the time when the case is called for arraignment before the magistrate, if the defendant shall not appear, either in person or by counsel, the magistrate may declare the bail forfeited, and may in his discretion order that no further proceedings shall be had in such case.

Upon the making of such order that no further proceedings be had, all sums deposited as bail shall forthwith be paid into the city or county treasury, as the case may be.

(f) No warrant shall issue on such charge for the arrest of a person who has given such written promise to appear in court or before a person authorized to receive a deposit of bail, unless and until he has violated such promise or has failed to deposit bail, to appear for arraignment, trial or judgment, or to comply with the terms and provisions of the judgment, as required by law.

SEC. 3. Section 743.6 of said code is amended to read:

743.6. Procedure Upon Arrest Discretionary in Certain Cases. Whenever any person is arrested by any member of the California Highway Patrol for any violation of any state law regulating the operation of vehicles or the use of the highways declared to be a misdemeanor but which offense is not specified in this code, such person shall, in the judgment of the arresting officer, either be given a 10-day notice to appear in the manner hereinbefore provided or be taken without unnecessary delay before a magistrate within the county in which the offense charged is alleged to have been committed and who has jurisdiction of such offense and is nearest or most accessible with reference to the place where said arrest is made, or, upon demand of the person arrested, before a magistrate in the judicial district in which the offense is alleged to have been committed.

Discretionary
procedure
upon arrest

CHAPTER 1109

An act to amend Section 130 of the Vehicle Code, relating to records of the Department of Motor Vehicles.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 130 of the Vehicle Code is amended to read:

130. Records of Department. (a) All records of the department relating to the registration of vehicles and such information as is contained on an application for an operator's or chauffeur's license shall be open to public inspection during office hours, except that such records of the department relating to the physical or mental condition of any person shall be confidential.

(b) The department shall have the right to sell information from its records concerning the registration of any vehicle or information from the files for operator or chauffeur licenses at a charge sufficient to pay the actual cost to the department for providing such information, the charge for such information to be determined by the Director of Motor Vehicles with the approval of the Department of Finance, with a minimum charge of twenty-five cents (\$0.25) for each item. The department may sell stamps or coupons in appropriate denominations for the convenient enforcement of this section. Such stamps or coupons may be used to accompany requests for information in lieu of cash, but otherwise shall be nonredeemable and shall be canceled by the department upon granting the request for information. This subdivision does not apply to statistical information of the type heretofore compiled and distributed by the department nor to information, the purpose of which relates to traffic accidents or traffic offenses or traffic enforcement.

(c) The department shall have the right to sell copies of all or any part of its records at a charge sufficient to pay at least the entire actual cost to the department of such copies, the charge for such records and the conditions under which they may be sold to be determined by the Director of Motor Vehicles, with the approval of the Department of Finance.

(d) The department shall not make any charge for any copies of records, or for information given out from its records, to any county, city, or city and county, or to any state department, or Federal Government.

CHAPTER 1110

An act to amend Section 258 of the Probate Code, relating to estates of victims of homicide.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 258 of the Probate Code is amended to read:

258. No person convicted of the murder or voluntary manslaughter of the decedent shall be entitled to succeed to any portion of the estate; but the portion thereof to which he would otherwise be entitled to succeed goes to the other persons entitled thereto under the provisions of this chapter.

CHAPTER 1111

An act to amend Section 795.1 of the Agricultural Code, relating to citrus fruits.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 795.1 of the Agricultural Code is amended to read:

795.1. Oranges, except bloods, tangerines and mandarins, shall not be considered mature (a) unless the juice contains soluble solids equal to or in excess of eight parts to every part of acid contained in the juice (the acidity of the juice to be calculated as citric acid without water of crystallization), and unless 90 percent or more of the oranges in any lot, by count, before picking have attained, on at least one-fourth of the fruit surface, at least a minimum characteristic orange color, as indicated by Color Plate No. 13-L-2 in "Dictionary of Color," Maerz and Paul, first edition, 1930; or (b) unless the juice contains soluble solids equal to or in excess of 10 parts to every part of acid contained in the juice (the acidity of the juice to be calculated as citric acid without water of crystallization), and unless the average hue of the surface of 95 percent or more of the oranges before picking have attained a minimum characteristic orange color, as indicated by Color Plate No. 21-L-6 in "Dictionary of Color," Maerz and Paul, first edition, 1930. No oranges may be accelerated in color unless the juice contains soluble solids equal to or in excess of eight parts to every part of acid contained in the juice (the acidity of the juice to be calculated as citric acid without water of crystallization).

The tolerances allowed by Section 795 shall not apply to the provisions of this section when determining whether any lot of oranges complies with the maturity standard.

CHAPTER 1112

An act to add Section 13205 to the Education Code, relating to political activities of school employees.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13205 is added to the Education Code, to read:

13205. Neither any local legislative body nor any school district governing board shall enact or enforce any ordinance or promulgate or enforce any rule or regulation which limits, during their off-duty hours, the participation of school employees in political activities not prohibited by this code.

CHAPTER 1113

An act to amend Section 919 of the Fish and Game Code, relating to fish nets.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 919 of the Fish and Game Code is amended to read:

919. As used in this chapter the term "bait net" means a lampara or round haul type net with cotton twine mesh not exceeding standard No. 9 medium cotton seine twine, except that the selvedge webbing for a distance of three feet from the cork line, measured stretched, mesh shall not exceed in size standard No. 9 cotton twine. The net shall not have rings along the lead line or any method of pursing the bottom of the net.

Bait nets may be used to take fish for bait in any ocean district except District 20; provided, that in Districts 19A and 19B bait nets may be used only to take sardines, anchovies, queenfish, white croakers, and smelt for bait only, and no other species of fish may be taken or possessed on any boat carrying a bait net in District 19A.

Nothing in this section shall prohibit the use of bait nets in Districts 19A and 19B for taking fish for use as fish food in state fish hatcheries.

CHAPTER 1114

An act to amend Section 14112 of, and to add Section 14112.1 to, the Education Code, relating to school district merit systems for noncertificated employees.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14112 of the Education Code is amended to read:

Classification
of employees
and positions

14112. The commission shall classify all employees and positions within the jurisdiction of the governing board or of the commission. The employees and positions shall be known as the classified service. Positions required to have certification qualifications, part-time playground positions, full-time day students employed part time, apprentices and professional experts employed on a temporary basis for a specific project by the governing board or by the commission when so designated by the commission, shall not be included therein.

However, nothing in this section shall prevent an employee, who has attained regular status in a full-time position, from taking a voluntary reduction in time and retaining his regular status under the provisions of this law.

No person whose contribution consists solely in the rendition of individual personal services and whose employment does not come within the scope of the exceptions listed above shall be employed outside of the classified service.

A part-time position is one for which the assigned time, when computed on an hourly, daily, weekly, or monthly basis, is less than $87\frac{1}{2}$ percent of the normally assigned time of the majority of employees in the classified service. Part-time position

SEC. 2. Section 14112.1 is added to said code, to read:

14112.1. The commission may classify as apprentice positions certain positions where the principal requirement is that of learning to perform efficiently, by study and practice, specific duties concerning which a definite plan of systematic instruction and special supervision has been provided by the California Apprenticeship Council for the designated trade. Apprentice positions

The apprenticeship training plan adopted by the governing board of the school district must be approved by the California Apprenticeship Council.

No assignment to any position classified as an apprentice position shall be allowed to continue beyond the predetermined apprenticeship period prescribed by the California Apprenticeship Council for the designated trade. Selection of eligibles shall be made in accordance with their position on employment lists established by competitive or qualifying examinations.

Credit for prior training in a regularly indentured apprenticeship program shall be given to qualified candidates. Same

In all cases of apprenticeship probationary periods, the standards of duration and qualifications shall be fixed by the commission insofar as they do not exceed the maximum standards set up by the California Apprenticeship Council. Termination for cause may be prescribed for any apprentice who fails to attain the predetermined standards of apprenticeship or for causes as prescribed by the rules of the commission.

The commission shall recommend to the governing board a graduated scale of compensation rates for the various levels of apprentices, taking into consideration the percentage relationship to the districts' journeyman wage of the trade as provided in the statement of policies of the California Apprenticeship Council.

The commission may determine that promotional examinations shall be held for entrance into various levels of apprentice positions and entrance into journeyman positions in a skilled trade; provided, that there is a field of promotion from adequately trained apprentices in the trade concerned.

CHAPTER 1115

An act to amend Section 1304 of the Education Code, relating to qualifications for school superintendents and their staffs.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1304 of the Education Code is amended to read:

1304. No person shall be eligible to hold a position as city superintendent, district superintendent, deputy superintendent, associate superintendent, or assistant superintendent of schools unless he is the holder of both a valid school administration certificate and a valid teacher's certificate, but any person employed as a deputy, associate, or assistant superintendent in a purely clerical capacity shall not be required to hold an administration certificate.

CHAPTER 1116

An act to add Sections 14121.1 and 14121.2 to the Education Code, relating to classified employees of school districts.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14121.1 is added to the Education Code, to read:

Certification
prior to
examination

14121.1. When an open competitive examination and a promotional examination for a particular class are held at the same time, the commission may prior to the examination authorize certification for employment of candidates from the open competitive eligibility list before the promotional eligibility list has been exhausted if (1) the candidate on the open list has a higher score before adjustment for preferential credits than the score of the highest available candidate on the promotional list after seniority credits have been added, and also if (2) either the class has fewer than three positions in the class or the most recent promotional examination for the class has failed to provide an adequate number of available eligibles on a promotional list to fill all regular vacancies which developed during the first year of the life of the eligibility list.

SEC. 2. Section 14121.2 is added to the Education Code, to read:

Classification
without
examination

14121.2. When all of the positions in a class are reclassified to a higher class or responsibility level, the incumbents of the

positions who have been in the class for five or more years may be reclassified without competitive examination. When a portion of the positions within a class are reclassified to a higher class or responsibility level an incumbent who has a continuous employment record of five or more years in one or more of the positions being reclassified is eligible upon passing competitive or qualifying examination as provided by commission rule to reclassification to the higher class.

CHAPTER 1117

An act to amend Section 6321 of the Business and Professions Code, relating to fees payable for law libraries.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 6321 of the Business and Professions Code is amended to read:

6321. On the commencement in, or the removal to, the superior court of any county in this State, of any civil action, proceeding, or appeal, and on the commencement in, or removal to, the municipal court or justice court in any county, of any civil action or proceeding, the party instituting such proceeding, or filing the first papers, shall pay to the clerk of the court, for the law library, on filing the first papers, the sum of one dollar (\$1) as costs, in addition to the fees fixed by law

CHAPTER 1118

An act to amend Sections 21155 and 21156 of the Education Code, relating to the California Maritime Academy.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 21155 of the Education Code is amended to read:

21155. Any male resident of the State who has the required qualifications may be admitted to the school as a student. Each such student shall pay the tuition fee fixed by the board of governors but such fee shall not be fixed at less than one hundred thirty-five dollars (\$135) a trimester.

SEC. 2. Section 21156 of said code is amended to read:

21156. Nonresident students may be admitted to the school when vacancies occur, subject to the payment of a tuition fee in such amount as the board of governors may fix but such fee shall not be fixed at less than two hundred twenty-five dollars (\$225) a trimester.

CHAPTER 1119

An act to amend Sections 1030, 1031, 1032, 1033, 1034 and 1044 of the Fish and Game Code, relating to domestic fish breeder's license.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1030 of the Fish and Game Code is amended to read:

Ponds

1030. Any person who owns or leases privately owned land may establish and maintain thereon ponds for the propagation and raising of fish domesticated subject to the provisions of this article.

SEC. 2. Section 1031 of said code is amended to read:

Require-
ments
for artificial
bodies of
water, etc

1031. All artificial bodies of water or private hatcheries in which fish may be propagated and raised under the provisions of this article shall be entirely within the exterior boundaries of the land owned or leased by the applicant, and there shall be no natural inlet or outlet for the waters contained therein. For the purpose of this section, waters existing seasonally or intermittently and not serving as a passageway or nursery area for anadromous fish are considered as being without a natural inlet or outlet. All artificial inlets and outlets of said artificial bodies of water or private hatcheries must be screened to prevent the ingress or egress of fish to or from any natural body of water.

SEC. 3. Section 1032 of said code is amended to read:

Application
for license

1032. A person desiring to propagate and raise fish shall file with the department each year a written application for a license so to do.

SEC. 4. Section 1033 of said code is amended to read:

Fee

1033. The fee for a domestic fish breeder's license shall be fifteen dollars (\$15) per calendar year or part thereof. This section shall become effective January 1, 1956.

SEC. 5. Section 1034 of said code is amended to read:

Examination
for license

1034. Upon receipt of the application, the department shall examine the land and waters described therein at the expense of the applicant. If the body of water or private hatchery has been constructed and screened according to the provisions of this article and the application is proper and reasonable, the department shall grant to the applicant a license to propagate and raise the domesticated fish mentioned in the application, and to possess said domesticated fish for a calendar year, or, if issued after the beginning of such year, for the remainder thereof. The license shall be posted or displayed in a conspicuous place on the land described in the application and shall expire at the end of the calendar year.

SEC. 6. Section 1044 of said code is amended to read:

1044. Live domestically raised fish may be sold and transported only when accompanied by a permit issued by the department. No such permit shall be issued unless said fish are consigned to a person having a license or permit under Section 1034, 1047, or 561.1. Permit to
sell or
transport

CHAPTER 1120

An act to add Section 31.1 to the Fish and Game Code, relating to the improvement of lakes and streams for fish.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 31.1 is added to the Fish and Game Code, to read:

31.1. The department may expend such funds as may be necessary for the improvement of lakes and streams for fish, including the selection, restoration, rehabilitation and improvement of areas of water or land adaptable as hatching, feeding, resting or breeding places for fish, and the construction of such works as may be necessary to make them available for such purposes, including the removal of barriers to the movement and migration of fish with the permission of the owner.

The department may carry on said fisheries habitat improvement work on private land with the permission of the property owner, without the State acquiring an interest therein.

CHAPTER 1121

An act to amend Section 5151 of the Welfare and Institutions Code, relating to expenses of proceedings for the commitment of persons alleged to be mentally ill or insane.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 5151 of the Welfare and Institutions Code is amended to read:

5151. If the person alleged to be mentally ill or sought to be committed is not an indigent person, the costs of the proceedings are a charge upon his estate, or shall be paid by persons legally liable for his maintenance, unless the judge orders otherwise. The fees allowed the medical examiners, court appointed or otherwise, shall be included as charges against the estate of the person alleged to be mentally ill or against persons responsible for his maintenance only if such person is adjudged to be mentally ill.

CHAPTER 1122

An act to amend Section 2571 of the Elections Code, relating to elections.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2571 of the Elections Code is amended to read:

2571. A statement of the number of voters in his county at the close of registration on the nineteenth day prior thereto shall be transmitted to the Secretary of State by each county clerk at the following times:

(a) On the one hundred thirty-fifth day before each presidential primary.

(b) On the ninety-fifth day before each direct primary.

(c) On the one hundred thirty-fifth day before each direct primary.

(d) On the thirty-fifth day before each general election.

The statement shall show the total number of voters in the county, the number registered as affiliated with each political party and the number who declined to state a party affiliation.

CHAPTER 1123

An act to amend Sections 14728.1 and 14728.3 of, and to add Section 14728.2 to, the Education Code, relating to school district retirement systems.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 14728.1 of the Education Code is amended to read:

14728.1. Excepting as provided in Section 14744 of this code, upon the termination of a member's employment, his accumulated contributions shall be paid to him at his request unless the member owes funds to the school district of which he was an employee and of which the district retirement system has been informed, in which case repayment will not be made until his obligation to said school district has been discharged; and provided, he is not reinstated prior to receipt of repayment of his accumulated contributions. It is further provided that, if in the opinion of the district retirement board his employment is permanently terminated, such repayment may be made without request by the member.

SEC. 2. Section 14728.2 is added to said code, to read:

14728.2. If a person is returned to service prior to the receipt of a refund of his accumulated contributions, the time between the date of termination of his service and his return to service shall be considered as a leave of absence for district retirement system purposes.

SEC. 3. Section 14728.3 of said code is amended to read:

14728.3. If a person whose accumulated contributions have been returned to him thereafter re-enters the system within 39 months after such return of his contributions, he may within 60 days after his re-entry elect to redeposit said contributions, with interest from the date of return of the contributions by the district to the date of redeposit, at such rates and within such period as the rules of the governing board may provide, but such period shall be not less than five years, or limited to the date of retirement or subsequent termination of service for reason other than death, whichever shall first occur.

CHAPTER 1124

An act to amend Section 13841.3 of, and to add Sections 13671.5 and 14071.5 to, the Education Code, relating to school district employees.

[Approved by Governor June 18, 1955. Filed with Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 13671.5 is added to the Education Code, to read:

13671.5. When any provision of this code expressly authorizes or requires the governing board of a school district to grant a leave of absence for any purpose or for any period of time to persons employed in positions requiring certification qualifications, that express authorization or requirement does not deprive the governing board of the power to grant leaves of absence with or without pay to such employees for other purposes or for other periods of time, so long as the governing board does not deprive any employee of any leave of absence to which he is entitled by law.

Leaves of
absence
Certificated
employees

SEC. 2. Section 13841.3 of said code is amended to read:

13841.3. Every person employed by a school district in a position requiring certification qualifications is entitled to three days' leave of absence for the death of any member of his immediate family, and to such additional days therefor as the governing board of the district may allow. No deduction shall be made from the salary of such employee on account of such leave of absence. The governing board may enlarge the benefits of this section.

Absence for
death in
immediate
family

"Member of his immediate family" as used in this section means the mother, father, husband, wife, son, daughter,

"Member
of his
immediate
family"

brother, or sister of the employee, or any relative living in the immediate household of the employee.

SEC. 3. Section 14071.5 is added to said code, to read:

Noncertified
employees

14071.5. When any provision of this code expressly authorizes or requires the governing board of a school district to grant a leave of absence for any purpose or for any period of time to persons employed in positions not requiring certification qualifications, that express authorization or requirement does not deprive the governing board of the power to grant leaves of absence with or without pay to such employees for other purposes or for other periods of time, so long as the governing board does not deprive any employee of any leave of absence to which he is entitled by law.

Legislative
declaration

SEC. 4. It is hereby declared that this act is not a change in the present law but is a declaration of pre-existing law.

CHAPTER 1125

An act to add Sections 1011.1, 1011.2, and 1011.3 to the Education Code and to amend Sections 1097 and 3060 of the Government Code, relating to the interest of members of governing boards of school districts in contracts and transactions made by the boards.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 1011.1 is added to the Education Code, to read:

When board
members may
have interest
in contracts,
etc.

1011.1. Except as provided in Section 1011.2, no contract or other transaction entered into by the governing board of any school district is either void or voidable under the provisions of Section 1011, nor shall any member of such board be disqualified or deemed guilty of misconduct in office under said provisions, if the circumstances specified in the following subdivisions exist:

(a) The fact of such interest is disclosed or known to the governing board and noted in the minutes, and the governing board thereafter authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such interested member or members, and

(b) The contract or transaction is just and reasonable as to the school district at the time it is authorized or approved.

SEC. 2. Section 1011.2 is added to said code, to read:

Exceptions

1011.2. The provisions of Section 1011.1 shall not be applicable if the circumstances specified in any of the following subdivisions exist:

(a) The contract or transaction is between the school district and a member of the governing board of that district.

(b) The contract or transaction is between the school district and a partnership or unincorporated association of which any member of the governing board of that district is a partner or in which he is the owner or holder, directly or indirectly, of a proprietorship interest.

(c) The contract or transaction is between the school district and a corporation in which any member of the governing board of that district is the owner or holder, directly or indirectly, of five percent (5%) or more of the outstanding common stock.

(d) A board member is interested in a contract or transaction within the meaning of Section 1011, and without first disclosing such interest to the governing board at a public meeting of the board, influences or attempts to influence another member or members of the board to enter into the contract or transaction.

SEC. 3. Section 1011.3 is added to said code, to read:

1011.3. The question of the validity or invalidity of a contract or other transaction entered into by the governing board of any school district where a member of the governing board of that district is interested in such contract or transaction, as well as the question of disqualification or misconduct in office of such interested member, shall be exclusively governed by the provisions of the Education Code which are hereby declared to and shall supersede (1) any and all provisions of law contained in any code or law of this State, except those which specifically refer to members of the governing board of school districts and which might otherwise be applicable and (2) any and all provisions of law contained in any charter or ordinance of a city, county or city and county, which might otherwise be applicable.

SEC. 4. Section 1097 of the Government Code is amended to read:

1097. Every officer or person prohibited by the laws of this State from making or being interested in contracts, or from becoming a vendor or purchaser at sales, or from purchasing scrip, or other evidences of indebtedness, including any member of the governing board of a school district, who wilfully violates any of the provisions of such laws, is punishable by a fine of not more than one thousand dollars (\$1,000), or by imprisonment in the state prison for not more than five years, and is forever disqualified from holding any office in this State.

SEC. 5. Section 3060 of said code is amended to read:

3060. An accusation in writing against any officer of a district, county, or city, including any member of the governing board of a school district, for wilful or corrupt misconduct in office, may be presented by the grand jury of the county for or in which the officer accused is elected or appointed. An accusation may not be presented without the concurrence of at least 12 grand jurors.

CHAPTER 1126

An act to amend Section 4248 of the Agricultural Code, relating to stabilization and marketing of fluid milk and fluid cream.

In effect
September
7 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 4248 of the Agricultural Code is amended to read:

4248. The director may amend or terminate any stabilization and marketing plan, after notice and public hearing as prescribed in Article 5, in the event that he finds that such plan is no longer in conformity with the standards prescribed in, or will not tend to effectuate the purposes of, this chapter. Such hearing may be held upon the motion of the director and shall be held upon receipt of a petition signed by producers, or by the board of directors of any nonprofit agricultural cooperative marketing association which is authorized by its members to so petition. Such petition or petitions shall represent not less than 55 percent of the total number of all producers and not less than 55 percent of the total production of all producers who are eligible to petition the director for the formulation of such plan.

CHAPTER 1127

An act to amend Section 743 of the Agricultural Code, relating to the California Dairy Industry Advisory Board.

In effect
September
7 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 743 of the Agricultural Code is amended to read:

743. There is in the State Government the California Dairy Industry Advisory Board which consists of twenty-five (25) members, who shall be citizens and residents of this State. Eleven (11) members of said board shall be actually engaged in the production of milk, or shall represent producers actually engaged in the production of milk. These 11 members are the producer members of the board. Eleven (11) members of said board shall be handlers of dairy products. These 11 members are the handler members of the board. Insofar as it is practicable, the proportion of the producer members who produce market milk and the proportion of such members who produce manufacturing milk, and the proportion of the handler members who handle market milk and the proportion of such members

who handle manufacturing milk shall be the same as the proportions in which market milk and manufacturing milk are produced in this State as shown by the then most recently available records of the department; but this requirement shall not operate to remove from office any member of the board. The remaining three (3) members of the board shall be producer-handlers who produce a major portion of the milk used in the dairy products handled by them. Officials or members, otherwise qualified, of corporations, associations, and other business units, which are actually engaged in business as producers, producer-representatives, handlers, or producer-handlers of dairy products, shall be eligible to be members of the board.

Producer-representatives may be nominated in the same manner as provided in Section 744.1, except that to be eligible for appointment, the producer-representative shall furnish to the director a resolution in writing transmitting the official action of the board of directors of the organization he represents so nominating him

CHAPTER 1128

An act to add Title 3 to Part 4 of the Penal Code and to repeal Sections 11109, 11110, 11111, 11113, and 11114 of said code, relating to a Uniform Criminal Statistics Act, based upon the uniform act adopted by the National Conference of Commissioners on Uniform State Laws.

[Approved by Governor June 18, 1955. Filed with Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Title 3 is added to Part 4 of the Penal Code, to read:

TITLE 3. CRIMINAL STATISTICS

CHAPTER 1. BUREAU OF CRIMINAL STATISTICS

Article 1. Administration

13000. There is in the Department of Justice a Bureau of Criminal Statistics. Bureau of
Criminal
Statistics

13001. The bureau shall be supervised by a Chief, Bureau of Criminal Statistics, who shall be a person with statistical training and experience and possessing a good knowledge of the problems of criminal law enforcement and administration and penal and correctional institutions and methods. Chief

The Attorney General shall appoint the chief and employees of the bureau, subject to provisions of the State Civil Service Act.

The tenure and status of the chief and employees of the bureau, as heretofore constituted, shall not be affected by the enactment of this title.

Article 2. Duties of the Bureau

Duties of
bureau

13010. It shall be the duty of the bureau:

(a) To collect data necessary for the work of the bureau, from all persons and agencies mentioned in Section 13020 and from any other appropriate source;

(b) To prepare and distribute to all such persons and agencies, cards or other forms used in reporting data to the bureau. Such cards or forms may, in addition to other items, include items of information needed by federal bureaus or departments engaged in the development of national and uniform criminal statistics;

(c) To recommend the form and content of records which must be kept by such persons and agencies in order to insure the correct reporting of data to the bureau;

(d) To instruct such persons and agencies in the installation, maintenance, and use of such records and in the reporting of data therefrom to the bureau;

(e) To process, tabulate, analyze and interpret the data collected from such persons and agencies;

(f) To supply, at their request, to federal bureaus or departments engaged in the collection of national criminal statistics data they need from this State; and

(g) To present to the Governor, on or before July 1st, a printed annual report containing the criminal statistics of the preceding calendar year and to present at such other times as the Attorney General may approve reports on special aspects of criminal statistics. A sufficient number of copies of all reports shall be printed or otherwise prepared to enable the Attorney General to send a copy to all public officials in the State dealing with criminals and to distribute them generally in channels where they will add to the public enlightenment.

Service as
statistical
and research
agency

13011. The bureau may serve as statistical and research agency to the Department of Corrections, the Adult Authority, the Board of Corrections, the Department of the Youth Authority and the Board of Trustees of the California Institution for Women.

Annual
report
Contents

13012. The annual report of the chief provided for in Section 13010 shall contain statistics showing:

(a) The amount and the types of offenses known to the public authorities;

(b) The personal and social characteristics of criminals and delinquents; and

(c) The administrative actions taken by law enforcement, judicial, penal and correctional agencies or institutions in dealing with criminals or delinquents.

It shall be the duty of the chief to give adequate interpretation of such statistics and so to present the information that it may be of value in guiding the policies of the Legislature and of those in charge of the apprehension, prosecution and treatment of the criminals and delinquents, or concerned with the prevention of crime and delinquency. The report shall

include also statistics which are comparable with national uniform criminal statistics published by federal bureaus or departments heretofore mentioned.

Article 3. Duties of Public Agencies and Officers

13020. It shall be the duty of every constable, city marshal, chief of police, railroad and steamship police, sheriff, coroner, district attorney, city attorney and city prosecutor having criminal jurisdiction, probation officer, the Department of Justice, Department of Corrections, Adult Authority, Department of the Youth Authority, and the Board of Trustees of the California Institution for Women, Department of Mental Hygiene, Department of Public Health, Department of Social Welfare, State Fire Marshal, Liquor Control Administrator, and every other person or agency dealing with crimes or criminals or with delinquency or delinquents, when requested by the Attorney General:

Duties of
public agen-
cies and
officers

(a) To install and maintain records needed for the correct reporting of statistical data required by the bureau;

(b) To report statistical data to the bureau at such times and in such manner as the Attorney General prescribes;

(c) To give to the Attorney General, or his accredited agent, access to statistical data for the purpose of carrying out the provisions of this title.

Article 4. Repeal

13030. Sections 11109, 11110, 11111, 11113, and 11114 of the Penal Code are hereby repealed. Repeal

CHAPTER 1129

An act to amend Sections 24864 and 24871 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 24864 of the Business and Professions Code is amended to read:

24864. For the purpose of providing different selling or resale prices, the State may be divided into the following trading areas:

Trading
areas

(a) Mountain trading area, which consists of the Counties of Del Norte, Siskiyou, Modoc, Shasta, Trinity, Humboldt, Lassen, Mendocino, Tehama, Plumas, Butte, Sierra, Nevada, Placer, El Dorado, Amador, Calaveras, Alpine, Tuolumne, Mariposa, Mono, Inyo, and Imperial, and those portions of the Counties of Kern, San Bernardino and Riverside which lie east of the mountain divide of the Sierra Nevada, Tehachapi, and San Bernardino Mountains, commonly known as the Desert Country. Mountain

Northern
California

(b) Northern California trading area, which consists of all counties and portions of counties lying north of the southern boundaries of San Luis Obispo, Kern, and Inyo Counties which are not included in the mountain trading area.

Southern
California

(c) Southern California trading area, which consists of all the counties and portions of counties lying south of the boundaries of the three counties named in subdivision (b) which are not included in the mountain trading area.

Quantity
discounts

SEC. 2. Section 24871 of said code is amended to read:

24871. Quantity discounts to retailers shall be permitted only when actual delivery of a single order is begun and completed to the same premises within a period not to exceed 48 hours, except in the case of accident, strike, insurrection, riot, or act of God, and then delivery shall be made within 48 hours after such occurrence ends. The total quantity and prompt payment discounts, if any, to retailers shall not exceed the following:

Less than 5 cases.....	No discount
5 or more cases but less than 15 cases.....	2% discount
15 or more cases but less than 50 cases.....	3% discount
50 or more cases but less than 100 cases.....	4% discount
100 or more cases.....	6% discount

Quantity discounts to consumers shall not exceed 10 percent per case for case lots of the same brand.

Prompt
payment
discounts

Prompt payment discounts to retailers shall be permitted only when the seller actually receives payment in cash or its equivalent within the specified period after date of delivery. Postdated checks or checks returned for nonpayment shall not be deemed the equivalent of cash.

Permitted discounts shall not be taken in merchandise.

CHAPTER 1130

An act to add Section 1686 to Article 2, Chapter 9, Division 2 of the Streets and Highways Code, relating to county aid to cities.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 1686 is added to the Streets and Highways Code, to read:

1686. The Legislature hereby finds that the improvement and maintenance of all city streets is of general county interest. The board of supervisors of any county may, by resolution adopted by a four-fifths vote of its members, determine that county aid shall be extended for the improvement or maintenance of streets within a city or extending along or across the boundary of a city.

Such resolution shall specify the general nature of the improvement and maintenance proposed, the nature of the aid

to be furnished by the county, and any funds from which the aid is to be paid. Such resolution need not specify the streets to be improved or maintained within such city but may in general terms specify the general character of the work proposed and require such reports and accounting of the expenditure of such aid funds as it may find to be necessary and convenient. The provisions of this section shall be deemed as an alternative procedure to that otherwise specified in this article.

CHAPTER 1131

An act to amend Section 25353 of the Government Code, relating to the powers and duties of boards of supervisors.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 25353 of the Government Code is amended to read:

25353. The board may purchase, receive by donation, lease, or otherwise acquire water rights or real or personal property necessary for use of the county for any county buildings, public pleasure grounds, public parks, botanical gardens, harbors, historical monuments, and other public purposes, or upon which to sink wells to obtain water for sprinkling roads and other county purposes. The board may improve, preserve, take care of, manage, and control the property.

CHAPTER 1132

An act to add Sections 72757, 72758, and 72759 to the Government Code, relating to municipal court officers.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 72757 is added to the Government Code, to read:

72757. In each municipal court district having not more than five judges authorized by law, a jury and traffic commissioner may be appointed by and hold office at the pleasure of the judge in service in a municipal court district having one judge or a majority of the judges or the senior judge in service in a municipal court district having two or more judges.

SEC. 2. Section 72758 is added to said code, to read:

72758. The jury and traffic commissioner shall exercise all the powers and perform all of the duties of the jury commissioner of a superior court insofar as they are applicable to municipal courts, together with such additional powers and duties as may be prescribed by law. In addition and without extra compensation, he may be appointed and serve as a gen-

eral commissioner of the court if he possesses the qualifications prescribed therefor. As such general commissioner, he shall exercise all the powers and perform all of the duties of a commissioner of a superior court insofar as they are applicable to municipal courts, together with such additional powers and duties as may be prescribed by law.

SEC. 3. Section 72759 is added to said code, to read:

72759. Notwithstanding the provision of Section 72190 relating to qualifications, the jury and traffic commissioner shall be a law school graduate and shall be appointed from the staff of court clerks and shall receive the salary to which he would otherwise be entitled.

CHAPTER 1133

An act to amend Section 2021 of the Code of Civil Procedure, relating to depositions.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Section 2021 of the Code of Civil Procedure is amended to read:

2021. The testimony of a witness in this State may be taken by deposition in an action at any time after the service of the summons or the appearance of the defendant, and in a special proceeding after a question of fact has arisen therein, in the following cases:

1. When the witness is a party to the action or proceeding or an officer, member, agent, or employee of a corporation, or the agent or employee of a municipal corporation, which corporation or municipal corporation is a party to the action or proceeding, or an agent or employee of an individual who is a party to the action or proceeding, or a person for whose immediate benefit the action or proceeding is prosecuted or defended;

2. When the witness resides out of the county in which his testimony is to be used, or resides in the county but more than 50 miles distant from the place of trial or hearing by the nearest usual traveled route;

3. When the witness is about to leave the county where the action is to be tried, and will probably continue absent when the testimony is required;

4. When the witness, otherwise liable to attend the trial, is nevertheless too infirm to attend;

5. When the testimony is required upon a motion, or in any other case where the oral examination of the witness is not required;

6. When the witness is the only one who can establish facts or a fact material to the issue; provided, that the deposition of such witness shall not be used if his presence can be procured at the time of the trial of the cause;

7. When the witness is a subscribing witness to a will and the action is one to contest the will;

8. When the witness is the custodian, or one of the custodians, of hospital records relating to a patient whose physical or mental condition is at issue.

CHAPTER 1134

An act to amend Section 73300 of the Government Code, relating to salaries in municipal court districts.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 73300 of the Government Code is amended to read:

73300. When an annual salary is prescribed in this chapter, the salary is payable in equal monthly installments, except that if an annual salary is prescribed in this chapter for the judges, clerks, and other officers and attaches of the municipal court of the City and County of San Francisco, such salary is payable either in equal monthly installments or in equal semimonthly installments, as may be determined pursuant to law.

CHAPTER 1135

An act to amend Section 118 of the Welfare and Institutions Code, relating to the requirement that public assistance records be kept confidential.

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 118 of the Welfare and Institutions Code is amended to read:

118. Except as otherwise provided in this section, all applications and records concerning any individual made or kept by any public officer or agency in connection with the administration of any provision of this code relating to any form of public assistance for which grants-in-aid are received by this State from the United States Government shall be confidential, and shall not be open to examination for any purpose not directly connected with the administration of such provision of this code; provided, however, any agency having custody of such records may make the disbursement records available to the district attorney upon his request. The information thus obtained shall be made available to the district attorney for the official conduct of his agency and shall not be used for any other purpose.

Except as otherwise provided in this section, no person shall publish or disclose or permit or cause to be published or dis-

closed any list of persons receiving any such public assistance. Except for purposes directly connected with the administration of such public assistance, no person shall publish, disclose, or use or permit or cause to be published, disclosed, or used any confidential information pertaining to an applicant or recipient. Any violation of this section is a misdemeanor.

The State Department of Social Welfare may make rules and regulations governing the custody, use and preservation of all records, papers, files and communications pertaining to the administration of the public assistance laws. The rules and regulations shall be binding on all departments, officials and employees of the State, or of any political subdivision of the State and may provide for giving information to or exchanging information with public agencies or private social welfare or health agencies for their use in relation to cases in which such agencies, as a part of their usual duties, are making social investigations for the purpose of rendering social services, and for making case records available for research purposes; provided, that such research will not result in the disclosure of the identity of applicants for public assistance.

Any person, including every public officer and employee, who knowingly secures, or possesses, other than in the course of official duty, an official list or a list compiled from official sources, published or disclosed in violation of this section, of persons who have applied for or who have been granted any form of public assistance for which state assistance is made available to the counties of the State, including but not limited to aid to the aged, aid to needy children, aid to needy blind, and aid to partially self-supporting blind residents, is guilty of a misdemeanor.

CHAPTER 1136

An act to add Article 3 to Chapter 5, Division 12 of the Education Code, relating to the protection of school pupils.

In effect
September
7, 1955

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

The people of the State of California do enact as follows:

SECTION 1. Article 3 is added to Chapter 5, Division 12 of the Education Code, to read:

Article 3. Prohibition Against Giving Out Information Concerning School Pupils

24560. No teacher, principal, employee, or governing board member of any public, private, or parochial school shall give out any personal information concerning any particular minor pupil enrolled in the school in any class of the twelfth grade or below to any person except under judicial process unless the person is one of the following:

- (a) A parent or guardian of such pupil.

(b) A person designated by such parent or guardian in writing.

(c) An officer or employee of a public, private, or parochial school where the pupil attends, has attended, or intends to enroll.

(d) An officer or employee of the United States, the State of California, or a city, city and county, or county seeking information in the course of his duties.

(e) An officer or employee of a public or private guidance or welfare agency of which the pupil is a client.

(f) An employer or potential employer of the pupil.

Restrictions imposed by this act are not intended to interfere with the giving of information by school personnel concerning participation in athletics and other school activities, the winning of scholastic or other honors and awards, and other like information.

CHAPTER 1137

An act to amend Section 3070 of the Labor Code, relating to the Apprenticeship Labor Standards Act.

[Approved by Governor June 18, 1955. Filed with
Secretary of State June 20, 1955.]

In effect
September
7, 1955

The people of the State of California do enact as follows:

SECTION 1. Section 3070 of the Labor Code is amended to read:

3070. The Governor shall appoint an Apprenticeship Council, composed of six representatives each from employer and employee organizations, respectively, geographically selected, and of two representatives of the general public. The Director of Industrial Relations and the state official who is in charge of trade and industrial education under authority of the State Board of Education shall also be members of the Apprenticeship Council. The chairman shall be elected by vote of the Apprenticeship Council. The terms of office of the members of the Apprenticeship Council first appointed shall expire as designated by the Governor at the time of making the appointment: two representatives each of employers, employees, and the public representative shall serve until January 15, 1941. Two representatives each of the employers and employees shall serve until January 15, 1942. Thereafter each member shall serve for a term of two years. Any member appointed to fill a vacancy occurring prior to the expiration of the term of his predecessor shall be appointed for the remainder of said term. Each member of the council shall receive the sum of twenty dollars (\$20) for each day of his actual attendance at meetings of the council, together with

his actual and necessary traveling expenses incurred in connection therewith.

The terms of the five additional members provided by the amendment of this section at the 1955 Regular Session shall expire, as designated by the Governor at the time of making the appointment, as follows: one additional representative each of employers, employees, and the additional public representative shall serve until January 15, 1957; and one additional representative each of employers and employees shall serve until January 15, 1958.

CHAPTER 1138

An act to amend Section 69900 of the Government Code, relating to appointment of judicial employees in a county with a population over 750,000 and under 900,000.

In effect
September
7, 1955

[Approved by Governor June 18, 1955 Filed with
Secretary of State June 20, 1955]

The people of the State of California do enact as follows:

SECTION 1. Section 69900 of the Government Code is amended to read:

City and
County of
San
Francisco
Appoint-
ment of
judicial
employees

69900. In each county with a population of over 750,000 and under 900,000, a majority of the judges of the superior court may appoint the following employees:

(a) One grand jury statistician at an annual salary of six thousand six hundred dollars (\$6,600).

(b) Six senior legal stenographers, each at an annual salary of five thousand forty dollars (\$5,040).

(c) One senior clerk at an annual salary of four thousand eight hundred dollars (\$4,800).

(d) Two secretary-telephone operators, each at an annual salary of three thousand seven hundred twenty dollars (\$3,720).

(e) One probate court commissioner at an annual salary of nine thousand six hundred dollars (\$9,600).

(f) One chief calendar clerk at an annual salary of six thousand three hundred dollars (\$6,300).

(g) One domestic relations court commissioner at a salary of seven thousand two hundred dollars (\$7,200) per annum.

(h) One domestic relations case investigator at an annual salary of five thousand four hundred dollars (\$5,400).

(i) One domestic relations case investigator at an annual salary of five thousand seven hundred dollars (\$5,700).

(j) One law clerk at an annual salary of four thousand eight hundred dollars (\$4,800).

(k) One general clerk at an annual salary of three thousand nine hundred dollars (\$3,900).